

September 17, 2010

Director of Research and Technical Activities

Project No. 34

Sent via email: director@gasb.org

Dear Members of the GASB:

We are responding to the GASB's invitation for comments regarding the Preliminary Views on issues related to pension accounting and financial reporting by employers. We appreciate the Board's interest in these statements and its willingness to consider our perspectives. Together, we are the fiduciaries, administrators, and plan members of more than 80 public retirement systems holding in trust more than \$1.4 trillion and providing retirement security on behalf of thousands of public employers for more than 13 million working and retired public employees. As such, we represent both users and preparers of public retirement system financial reports.

By our signatures, we substantially agree with the views presented in this response; however, there are some areas where one or more of us may have a slightly different perspective, which will be shared with GASB in separate responses to the PV.

Our PV comments focus on certain issues we believe are particularly important, including the following PV proposals: a) de-linking of accounting standards from pension funding; b) the requirement that employers place their unfunded pension liabilities on their basic financial statements; c) the proposed limitation on deferred recognition of investment gains and losses; d) treatment of cost-sharing plans; and e) the proposed discount rate methodology.

De-linking accounting standards from pension funding

A major concern we have about the PV is its de-linking of accounting from funding, accomplished by eliminating the Annual Required Contribution (ARC). Since its establishment in Statements 25 and 27, the ARC has served as a de facto contribution standard and has promoted GASB's key objectives of accountability, decision-usefulness, and interperiod equity. The demise of the ARC would diminish or eliminate incentives for policymakers and other decision makers not only to make proper financial decisions regarding their pension plan(s), but also to be held accountable for those decisions.

Current accounting standards require pension plans and their sponsoring employers to disclose their ARC experience. The Center for Retirement Research affirmed the important role of the ARC in a 2008 paper, that said, "Statements No. 25 and 27 ... changed the way state and local governments account for pensions and report information and established the ARC as the annual funding target."¹ Furthermore, the paper underscored the usefulness of the ARC as an accountability tool: "A sponsor is acting responsibly with regard to funding its pension commitments if it has established an actuarially sound funding plan and is sticking to it. Funding

¹ Center for Retirement Research, "Why don't some states and localities pay their required pension contributions?" May 2008

efforts thus are typically assessed in two ways — by the ratio of assets to liabilities and *by whether or not the sponsor is paying 100 percent of the annual required contribution.*” (emphasis added.)

The ARC promotes the GASB objective of accountability by serving as a gauge by which to measure policymakers’ commitment to properly fund pensions within their purview. With no ARC, as proposed in the PV, users of financial statements would have no way to know whether pension obligations are being funded, to assess whether policymakers are acting responsibly by properly funding their pension commitments, or to know whether progress is being made toward improving the funded status of their plans. The ability of users of financial statements to hold policymakers accountable for funding their pension plan would be lost.

The ARC also promotes decision-usefulness by creating a target for policymakers to fund pension costs within their purview. In lieu of an ARC, the Net Pension Liability proposed in the PV makes a poor funding target, not only because it often will be too large for many pension plan sponsors to fund in its entirety in any single year, but also because it is inherently volatile, subject to significant change from one year to the next due to fluctuations in capital markets.

In addition to accountability and decision-usefulness, the ARC also helps achieve interperiod equity by charging the normal cost of plan benefits, plus an equitable portion of the cost to amortize the unfunded portion of the pension liability to each year within the plan’s amortization period. This feature of the ARC helps ensure that current taxpayers and each cohort thereafter are fairly charged for the cost of services provided to them. Replacing the ARC with the NPL is likely to reduce interperiod equity, as the NPL is too large to be paid in a single year. The absence of a realistic annual funding target, combined with the inherent volatility of the NPL, will render virtually impossible attainment of any real semblance of fairness in funding across generations of taxpayers.

Many states and cities have codified the ARC as part of their funding strategy, by requiring pension plan sponsors to pay the ARC as their annual contribution. Eliminating the ARC will make these contribution requirements moot, and with nothing to take their place, pension plan funding will undoubtedly suffer. The ARC also provides a “safe harbor” for policymakers, giving them political cover from those who seek to divert pension contributions from their target.

We strongly encourage GASB to restore the annual required contribution, or to provide another similar funding target, that advances GASB’s key objectives. We believe that such an important funding tool should be a uniform standard, and should not be left to others to develop

The requirement that employers place their unfunded pension liabilities on their basic financial statements

Question 2a. of the PV states, *“It is the Board’s preliminary view that the unfunded portion of a sole or agent employer’s pension obligation to its employees meets the definition of a liability (referred to as an employer’s net pension liability),”* and question 2b. states, *“It is the Board’s preliminary view that the net pension liability is measurable with sufficient reliability to be recognized in the employer’s basic financial statements.”*

We respectfully disagree with each of these views, based on the following three factors that will significantly reduce the decision usefulness of the basic financial statements: 1) although a pension obligation may be unavoidable, it often is not measurable with sufficient reliability; 2) the NPL will be volatile and lack reliability; and 3) the addition of the NPL to the basic financial statements may overshadow other important disclosures and incorrectly give them the appearance of being immaterial, particularly when examined in the context of the volatility and unreliability of the NPL.

The size of the pension obligation is not sufficiently reliable

To the extent that a pension obligation meets GASB's definition of a liability, we nevertheless believe that the size of such an obligation is demonstrably unreliable, particularly as measured by the NPL. Pension benefits sponsored by many states and local governments can be altered, actuarial assumptions may change, and a plan's investment experience inevitably will vary from expectations.

The frequency of changes being made to public pension plan terms is increasing. Several states have recently acted to reduce their pension benefit levels, resulting in reduced pension obligations and lower unfunded liabilities. Below are a few examples:

- In Colorado, the legislature approved a comprehensive reform bill that reduced benefit levels for current retirees and other participants in the plans administered by the Public Employees' Retirement Association. These changes resulted in a reduction in the plans' unfunded pension liabilities of \$8.8 billion, equal to more than one-third of the plan's combined unfunded liabilities. PERA is the predominant public retirement system in the state, providing pension and other benefits for state agencies and institutions of higher learning, public school districts, and more than 100 counties, cities, and special districts. As a result of the changes enacted by the Colorado Legislature, each of these entities will experience a material change in their unfunded pension liability, making the size of the liability, as measured by the NPL, unreliable.
- Unfunded pension liabilities for the three primary statewide retirement systems in Minnesota—SRS, PERA, and TRA—were reduced by more than \$2 billion as a result of changes approved by the legislature in 2010. Together, these systems administer retirement and other benefits for employers of nearly all employees of state and local government in the state, meaning that virtually every public employer in the state experienced a reduction in their unfunded pension liability as a result of the Minnesota Legislature's actions, once again demonstrating that while pension obligations may be unavoidable, they are often not measurable with sufficient reliability to warrant their inclusion on an employer's balance sheet.
- The South Dakota Legislature reduced the unfunded pension liability of the South Dakota Retirement System by more than \$360 million, or nearly 60 percent, through actions taken this year to reduce future automatic cost-of-living adjustments. The dramatic change in the NPL from one year to the next that would result is a clear example of its unreliability as a useful measure for inclusion in the employer's basic financial statements.
- The Iowa Legislature in 2010 modified the plan design for many existing participants, reducing the IPERS unfunded pension liability by some \$750 million, or 15 percent. This change affected each of the more than 2,000 employers that participate in IPERS.
- Since 2007, some 40 employers participating in the Texas Municipal Retirement System have modified their plan terms, thereby altering the level of their unfunded pension

liabilities. In some cases, these changes have been considerable in terms of their effects on unfunded pension liabilities.

The NPL is volatile and lacks reliability

Since the NPL is linked to a plan's market value of assets, it naturally will fluctuate based on market changes. Paul Zorn² found that in years with extreme market volatility, the NPL would also become highly volatile. For example, in 2008, Zorn found the market downturn would likely have resulted in an unprecedented increase in the NPL of more than three times the Unfunded Actuarial Accrued Liability for its model plan, contributing to a more than five-fold increase in the Preliminary Views Pension Expense in 2009 from the prior year.

Adding the NPL to the basic financial statements will result in disproportionality and immateriality

We believe the NPL often will dwarf other, non-pension liabilities on the balance sheet, thus causing other items to appear immaterial, thereby reducing the decision-usefulness of the statements overall. Tables A and B, below, show liabilities, before and after inclusion of the NPL, for two states: Idaho and Missouri. These states were selected because their state retirement systems are mid-sized systems with funding conditions that are within a normal range for public pension plans.

The tables depict the change in state liabilities from FY 08 to FY 09 for the states, before and after adding the NPL to the state liability figure. These tables also identify the portion of total liabilities accounted for by the NPL.

In the case of Idaho, adding the NPL to the state's liabilities increases the year-over-year change in the state's total liabilities *from less than one percent to more than 118 percent*. Also, in FY 08, the NPL accounts for around 39 percent of all of Idaho's pension liabilities, increasing to over 70 percent in FY 09 as a result of a decline in the PERS of Idaho market value of assets.

Table A. Comparison of changes in the State of Idaho's liabilities with net pension liability not included and included (in millions)

	6/30/2008	6/30/2009	% change
Liabilities per current standards, with no pension liability included	\$1,182	\$1,191	0.78%
Liabilities per proposed standards, with NPL included	\$1,931	\$4,218	118.46%
NPL as a percentage of total liabilities	38.8%	71.8%	

For Missouri, the result of adding the NPL increases the year-over-year change in the state's total liabilities *from around 17 percent to more than 67 percent*. Also, the NPL accounted for around 60 percent of Missouri's total liabilities in FY 08, increasing to more than 70 percent in FY 09.

² An August 2010 Gabriel, Roeder, Smith & Company study applied several of the GASB PV's key changes to a modeled public pension plan, based on a medium-sized statewide plan covering general employees. The GASB's changes are applied as if they were applicable starting in 1983, and the resulting accounting measures are estimated based on the plan's actual experience through 2009.

Table B. Comparison of changes in the State of Missouri's liabilities with net pension liability not included and included (in millions)

	6/30/2008	6/30/2009	% change
Liabilities per current standards, with no pension liability included	\$1,753	\$2,058	17.40%
Liabilities per proposed standards, with NPL included	\$4,525	\$7,585	67.61%
NPL as a percentage of total liabilities	61.3%	72.9%	

We believe the experience of these two states is fairly representative of the experience other states would have under the PV proposal. Similar, informal calculations for other employers have produced similar results. When the NPL represents such a large portion of the entity's liabilities, and when the liabilities can change so much from one year to the next, a relatively small change in the NPL can exert a major and disproportionate effect on the state's overall liabilities, an outcome we believe will render the basic financial statements to not be decision-useful.

An additional problem challenging the decision-usefulness of placing the NPL (or another pension obligation) on the employer's balance sheet is the issue of what effect a negative pension obligation, or actuarial surplus, would have on the balance sheet. In light of the proportionality concerns cited previously, it is entirely possible that an overfunded pension plan could cause the employer's liabilities to also become negative, i.e., to be in net surplus. What conclusions would users of financial statements draw from this situation? That the employer had no net liabilities, and indeed, a surplus? However, these pension assets are, by both Federal and state laws, to be used solely for the exclusive benefit of plan participants, and cannot be used as general assets for other purposes. Such a condition therefore could easily lead users to misunderstand the meaning of the balance sheet.

We do not believe that the GASB proposal to require the NPL to be placed on the balance sheet represents an improvement over existing standards. Rather, for single employer and agent plans, we believe an employer's unfunded pension obligation should continue to be subject to disclosure in the required supplementary information section of employer's financial statements, as required in Statement 27. For cost-sharing plans, we believe an employer's pension liability should continue to be the difference between the employer's contractually required contribution and the employer's actual contributions as provided under Statement 27. Moreover, for information regarding the cost-sharing plan's unfunded liabilities, employers in cost-sharing plans should continue to refer readers to the cost-sharing plan's financial report as allowed under Statement 25, paragraph 34.

The proposed limitation on deferred recognition of investment gains and losses

Question 4b. of the PV states, *“It is the Board’s preliminary view that the effects on the net pension liability of projected earnings on plan investments, calculated using the long-term expected rate of return, should be included in the determination of pension expense in the period in which the earnings are projected to occur. Earnings on plan investments below or above the projected earnings should be reported as deferred outflows (inflows) unless cumulative net deferred outflows (inflows) resulting from such differences are more than 15 percent of the fair value of plan investments, in which case the amount of cumulative deferred outflows (inflows) that is greater than 15 percent of plan investments should be recognized as an increase or decrease in expense immediately.”*

We respectfully disagree with each component of this view. We believe that the current standard, which permits public pension plans, in consultation with their actuary, to defer recognition of all asset gains and losses over a responsible period of time, is working reasonably well and that the proposed change would diminish decision-usefulness and interperiod equity. We also believe that the proposed method is needlessly complex and will result in diminished levels of transparency and understanding for users of public retirement plan financial information, thereby reducing—rather than improving—accountability.

The financing objective of most public pension plans is to establish contribution rates for plan sponsors that remain relatively stable over time. An important element of achieving this objective is asset smoothing. As the Missouri State Employees’ Retirement System Comprehensive Annual Financial Report states: “For those of us attempting to operate with a long-term time horizon, with contribution rate stability as a key objective, asset smoothing for actuarial purposes is simply a tool ... a practical solution to responsibly achieving intergenerational equity, giving recognition to the fact that market cycles do not coincide with financial reporting periods.”

Actuarial Standards of Practice No. 44 helps fulfill this stable financing objective by creating a tool as described in the MOSERS CAFR. ASOP No. 44 allows actuaries to “consider an asset valuation method that smoothes the effects of volatility in market value on the pattern of contributions;” to “consider such objectives as a desire for stable or predictable costs or contributions;” and to “select an asset valuation method that is designed to produce actuarial values of assets that bear a reasonable relationship to the corresponding market values,” so long as “the asset values fall within a reasonable range around the corresponding market values,” and “any differences between the actuarial value of assets and the market value are recognized within a reasonable period of time.”

We believe that the prevailing method used in the public sector to determine the actuarial value of assets meets these actuarial standards. This method is also simple and transparent enough to be easily understood by most users of public pension financial reporting, thereby promoting GASB’s key objective of decision-usefulness. The loss of transparency caused by the complexity of the method proposed in the PV would, in our view, more than outweigh any possible benefits gained from switching from the current standard (of which we see none).

The PV states, “if cumulative differences become too large as a percentage of plan investments, reversal of differences between expected and actual returns may not occur until periods relatively far into the future.” Considering the essentially perpetual investment and operating horizons of public pension plans, we believe this possible outcome nevertheless provides no reason for legitimate concern.

Another concern we have about the proposed method for deferring gains and losses is that it increases public pension plan exposure to market volatility. In light of GASB's proposed establishment of a new pension expense and Net Pension Liability, the net result of these changes would be to increase the exposure of public pension plans' funding levels and costs to greater market forces, which challenge and complicate the prevailing financing objective of attaining full funding with a relatively stable contribution rate. This added exposure is illustrated and discussed in Paul Zorn's paper (cited previously):

Rather than recognizing asset gains/losses in a systematic way, the proposed approach would recognize them erratically. ... [A]lthough recognition of asset gains/losses outside the 15% corridor would be infrequent, it would have had a strong impact on the [Preliminary Views] Pension Expense. For example, it would have resulted in a negative PV Pension Expense in 1997 [for the modeled plan] (and a nearly negative PV Pension Expense in 1986), at times when the Annual Pension Cost was strongly positive. Also, in 2009, it would have been the major contributor to the more than four-fold increase in the PV Pension Expense from the prior year.

In sum, we believe the current GASB standard in this regard is working well enough to not justify the complications that would result from a change. Predictability and stability of required contributions, which GASB's current approach in this area encourages, are critically important to effective budgeting for governments. The imposition of the PV's changes in smoothing would be unnecessarily disruptive, particularly in these difficult economic times, impairing rather than enhancing decision-usefulness. Also, interperiod equity is better served under GASB's current smoothing standards, which help permit the allocation of pension expenses to periods in such a manner that each period is charged a relatively stable, predictable percentage of payroll for normal costs, which more equitably spreads the burden of an ongoing benefit program among current and future generations of taxpayers.

The view that each employer in a cost-sharing plan is implicitly responsible for its proportionate share of the collective unfunded pension obligation, etc.

Issue 5 of the PV states, "5a. *It is the Board's preliminary view that each employer in a cost-sharing plan is implicitly primarily responsible for (and should recognize as its net pension liability) its proportionate share of the collective unfunded pension obligation, as well as its proportionate share of the effects of changes in the collective unfunded pension obligation. Do you agree with this view? Why or why not? 5b. The Board is considering basing the determination of proportionate shares of the collective net pension obligation on employers' respective shares of the total annual contractually required contributions to the plan and believes that would provide a reliable basis for measurement. However, the Board is seeking constituent input regarding other potential bases that might exist for this determination. What basis, if any, do you suggest for determining a cost-sharing employer's proportionate share of the collective net pension obligation?"*

We believe that current disclosure requirements regarding cost-sharing plans adequately express employers' obligations to the plan, although we also would support additional disclosures to help users of financial statements better understand the size and scope of each employer's participation relative to the entire plan.

We also believe that, in most circumstances, cost-sharing pension plans operate much like insurance pools, in which costs are evenly dispersed throughout the pool, regardless of whether any one participant (employer) may represent a higher "risk," (total obligation) than another. Thus, pension plan costs, in our view, should be distributed evenly across the entire group of

employers, regardless of individual employer characteristics. An exception to such a policy may be appropriate when a single employer accounts for a predominant share of the plan's liabilities and costs.

The proposed discount rate methodology

Issue 3 states: *"3c. It is the Board's preliminary view that the discount rate for accounting and financial reporting purposes should be a single rate that produces a present value of total projected benefit payments equivalent to that obtained by discounting projected benefit payments using (1) the long-term expected rate of return on plan investments to the extent that current and expected future plan net assets available for pension benefits are projected to be sufficient to make benefit payments and (2) a high-quality municipal bond index rate for those payments that are projected to be made beyond the point at which plan net assets available for pension benefits are projected to be fully depleted. Do you agree with this view? Why or why not?"*

Our understanding of GASB's intent with regard to the discount rate is that plan assets will be considered sufficient to make benefit payments as long as the assets are available, including current and future expected contributions sufficient to fund the plan's obligations. Our primary interest in the discount rate standard is that it reflects public pensions' status as "going-concerns," their long investment horizons, the observable past and reasonable future return expectations for capital markets, and common public fund portfolio construction.

Although we are concerned with the potential increase in volatility that the use of GASB's proposed single, blended rate could impose in certain instances, we believe, overall, the proposed GASB standard for a discount rate meets these criteria, and we strongly urge that GASB maintain its view that the basic discount rate for the unfunded pension obligation should remain the long-term expected rate of return on plan investments.

Delayed implementation

We respectfully request that with respect to any changes made to Statements 25 and 27 be accompanied by ample notice so as to enable affected groups to adequately prepare. Public pension plans are designed to operate over very long timeframes; sudden or dramatic changes in their operating environment can be disruptive and result in unintended consequences.

Summary

Once again, we appreciate GASB's consideration of our views. Generally, we believe Statements 25 and 27 in their present form have much to commend them and have served users of financial statements well. The view expressed by many members of the public pension community last year in a response to the Invitation to Comment remains valid:

[W]e would encourage the GASB to proceed with caution in making major modifications to [Statements 25 and 27]. A wide array of users, including state legislators and other policymakers; public employees and employers; executive officials, such as governors, mayors, treasurers, and comptrollers; members of the media; and bond rating services have become accustomed to accessing information from public retirement system financial reports that comply with current GASB standards. Significant changes to this reporting model could result in confusion on the part of the user community and could disrupt the consistency of public pension reporting. Such confusion and inconsistency could in turn reduce accountability and decision usefulness of public retirement system financial reporting.

Sincerely,

AL	Diane E. Scott	Chief Financial Officer	Retirement Systems of Alabama
AR	Gail H. Stone	Executive Director	Arkansas Public Employees Retirement System
AZ	Paul Matson	Director	Arizona State Retirement System
AZ	James M. Hacking	Administrator	Public Safety Personnel Retirement System
CA	Anne Stausboll	Chief Executive Officer	California Public Employees Retirement System
CA	Robin Madsen	Interim Chief Financial Officer	California State Teachers Retirement System
CA	Richard Stensrud	Chief Executive Officer	Sacramento County Employees' Retirement System
CA	Brian P. White	Chief Executive Officer	San Diego County Employees' Retirement Association
CA	Robert R. Palmer	Interim Executive Director	State Association of County Retirement Systems
CO	Dan M. Slack	Chief Executive Officer	Colorado Fire and Police Pension Association
	Michael Williamson	President	National Association of State Retirement Administrators
	Patrick McElligott	President	National Conference of Public Employee Retirement Systems
		Board Chairman	Washington State Investment Board
FL	Luke Henderson	Chairman	Boynton Beach Firefighters Pension Fund
			City of Fort Lauderdale Police Officers & Firefighters Retirement System
FL	Lynn Wenguer	Plan Administrator	West Police Officers' and Firefighters' Pension Plan
FL	Susy Pita	Plan Administrator	City of Orlando Employees Pension Plans
FL	Rebecca W. Sutton, CPA	CFO, Administrator, and Trustee	Cooper City General Employees Retirement Plan
FL	Horacio Montes de Oca	Finance Director	Ft. Lauderdale Police and Firefighters' Retirement System
FL	Michael Dew	Chairman	Hialeah Employees Retirement System
FL	Philip Bidart	Major	Jacksonville Police and Fire Pension Fund
FL	John Keane	Executive Director/Administrator	Vero Beach Firemens Pension Fund
FL	Tom Nason	Chairman	Employees' Retirement System of Georgia
GA	Pamela L. Pharris	Executive Director	Georgia Teachers Retirement System
GA	Jeff Ezell	Executive Director	Iowa Public Employees Retirement System
IA	Donna M. Mueller	CEO	Public Employees Retirement System of Idaho
ID	Don Drum	Executive Director	Chicago Teachers Pension Fund
IL	Kevin Huber	Executive Director	Chicago Teachers Pension Fund
IL	John O'Brill	Board Chairman	Illinois Municipal Retirement Fund
IL	Louis W. Kosiba	Executive Director	River Forest Police Pension Fund
IL	Lt. Craig Rutz	President	Kentucky Retirement Systems
KY	Mike Burnside	Executive Director	Kentucky Teachers' Retirement System
KY	Gary L. Harbin, CPA	Executive Secretary	National Council on Teacher Retirement
		President	Kentucky Teachers' Retirement System
KY	J. Eric Wampler, JD	Deputy Executive Secretary	Kentucky Teachers' Retirement System
KY	Mark Whelan, CPA	Chief Financial Officer	New Orleans Employees' Retirement System
LA	Jerry D. Davis	Chairman, Board of Trustees/CEO	Teachers' Retirement System of Louisiana
LA	Maureen H. Westgard	Executive Director	Barnstable County Retirement Association
MA	E. Mark Zielinski	Chairman	Belmont Contributory Retirement
MA	Rosario A. Sacco	Chairman	Cambridge Massachusetts Retirement System
MA	Bradford P. Tenney	Chairman	City of Taunton Contributory Retirement System
MA	Paul J. Slivinski	Executive Director	Dedham Retirement System
MA	June F. Rosado	Chairman	Public Employee Retirement Administration Commission
MA	Joe Connarton	Executive Director	Massachusetts Teachers' Retirement System
MA	Joan Schloss	Executive Director	Middlesex County Retirement Board
MA	Thomas F. Gibson	Chairman	Town of Plymouth Contributory Retirement Board
MA	Debra J. Sullivan	Executive Director	Maryland State Retirement and Pension System
MD	R. Dean Kenderdine	Executive Director	Maine Public Employees' Retirement System
ME	Sandy Matheson	Executive Director	Kent County Employees Retirement Plan
MI	Michael Dubay	Vice-Chair	Municipal Employees Retirement System of Michigan
MI	Anne M. Wagner	Chief Executive Officer	Southfield Fire & Police Retirement System
MI	Richard Keier	President	

MN	J. Michael Stoffel	Executive Director	Duluth Teachers' Retirement Fund Association
MN	Dave Bergstrom	Executive Director	Minnesota State Retirement System
MN	Laurie Fiori Hacking	Executive Director	Minnesota Teachers Retirement Association
MN	Mary Most Vanek	Executive Director	Public Employees Retirement Association of Minnesota
MO	Susie Dahl	Executive Director	Missouri Department of Transportation and Highway Patrol Employees Retirement System
MO	William R. Schwartz	Executive Secretary	Missouri Local Govt. Employees Retirement System
MO	Gary Findlay	Executive Director	Missouri State Employees Retirement System
MO	Thomas Mann	Executive Director	Public School Retirement System of Kansas City
MO	M. Steve Yoakum	Executive Director	Public School Retirement System of Missouri
MS	Pat Robertson	Executive Director	Mississippi Public Employees Retirement System
MS	Thomas J. Lariviere	Board Chairman	Mississippi Public Employees Retirement System
MS	J. Tate Reeves, CFA	State Treasurer	State of Mississippi
MT	Roxanne M Minnehan	Executive Director	Montana Public Employee Retirement Administration
MT	David L. Senn	Executive Director	Montana Teachers' Retirement System
ND	Sparb Collins	Executive Director	North Dakota Public Employees Retirement System
ND	Fay Kopp	Retirement Officer	North Dakota Teachers' Fund for Retirement
NE	Phyllis Chambers	Executive Director	Nebraska Public Employees Retirement System
NE	Michael W. Smith	Executive Director	Omaha School Employees' Retirement System
NH	Dick Ingram	Executive Director	New Hampshire Retirement System
NH	Catherine Provencher	State Treasurer	State of New Hampshire
NM	Nancy M. Hewitt	Board Chair	New Mexico Public Employees Retirement Association
NM	Terry Slattery	Executive Director	New Mexico Public Employees Retirement Association
NM	James Lewis	State Treasurer	State of New Mexico
NV	Dana K. Bilyeu	Executive Director	Nevada Public Employees Retirement System
NY	Thomas Lee	Executive Director	New York State Teachers Retirement System
OH	Bill Estabrook	Executive Director	Ohio Police & Fire Pension Fund
OH	Chris DeRose	CEO	Ohio Public Employees Retirement System
OH	Ken Thomas	Chairman	Ohio Public Employees Retirement System
OH	Michael Nehf	Executive Director	Ohio State Teachers Retirement System
OK	Tom Spencer	Executive Director	Oklahoma Public Employees Retirement System
OK	James R. Wilbanks, Ph.D	Executive Director	Oklahoma Teachers Retirement System
OR	Paul R. Cleary	Executive Director	Oregon Public Employees Retirement System
PA	Jeffrey B. Clay	Executive Director	Pennsylvania Public School Employees Retirement System
RI	Frank J. Karpinski	Executive Director	Employees' Retirement System of Rhode Island
SC	Peggy G. Boykin, CPA	Director	South Carolina Retirement Systems
SD	Robert A. Wylie	Executive Director/Administrator	South Dakota Retirement System
TN	David H. Lillard, Jr.	State Treasurer	State of Tennessee
TN	Jill Bachus	Director	Tennessee Consolidated Retirement System
TX	Sampson K. Jordan	Chief Executive Officer	City of Austin Police Retirement System
TX	Ruth Ryerson	Executive Director / CIO	City of Ft. Worth Employees Retirement System
TX	Jim Tate	Board Member	City of Ft. Worth Employees Retirement System
TX	Ann S. Fuelberg	Executive Director	Employees Retirement System of Texas
TX	Ronnie Jung	Executive Director	Teacher Retirement System of Texas
TX	Max Patterson	Executive Director	Texas Association of Public Employee Retirement Systems
TX	Gene Glass	Executive Director	Texas County & District Retirement System
TX	David Gavia	Executive Director	Texas Municipal Retirement System
UT	Robert Newman	Executive Director	Utah Retirement System
VT	Jeb Spaulding	State Treasurer	State of Vermont
VT	Cynthia Webster	Director	Vermont State Retirement System
WI	Dave Stella	ETF Secretary	Wisconsin Retirement System
WV	Erica Mani	Executive Director	West Virginia Consolidated Public Retirement Board
WY	Thomas Williams	Executive Director	Wyoming Retirement System