

# BOARD MEETING MINUTES

JUNE 13, 2012 – FINAL



## TRUSTEE AND STAFF ATTENDANCE

In Attendance	Mr. Kelly Fox, Chair – Olympia Fire District
Teleconference	Mr. Jack Simington, Vice Chair – Kennewick Police Department
In Attendance	Mr. Ryan Martin – Vancouver Police Department
Absent	Mr. Jeff Holy – Spokane Police Department (Retired)
In Attendance	Mr. Mark Johnson – Vancouver Fire Department
In Attendance	Mr. Pat Hepler – Snohomish County Fire District 1
Absent	Mr. Paul Golnik – WA Fire Commissioners Association
In Attendance	Mr. Glenn Olson – Clark County
In Attendance	Mr. David Cline – City of Tukwila
Teleconference	Senator Jim Honeyford – WA State Senator (left the meeting at break time)
In Attendance	Representative Kevin Van De Wege – WA State Representative ( <i>arrived during Item 2</i> )
In Attendance	Steve Nelsen – Executive Director
Absent	Jessica Burkhart – Executive Assistant
In Attendance	Tammy Harman – Administrative Services and Communications Manager
In Attendance	Tim Valencia – Senior Research and Policy Manager
In Attendance	Greg Deam – Senior Research and Policy Manager
Absent	Dawn Cortez – Assistant Attorney General

## CALL TO ORDER

*The LEOFF Plan 2 Retirement Board met in the Washington State Investment conference room in Olympia, Washington on June 13, 2012. A quorum of the members was present at this meeting.*

OPENING | Chair Kelly Fox called the meeting to order at 9:37 A.M. and requested those present to take a moment of silence to honor those who had fallen since the last the Board meeting.

## 1. Approval of Minutes

MINUTES | *It was moved to approve the Board meeting minutes from April 25, 2012. Motion seconded.*  
APPROVED | *The Board approved the minutes without objection.*

## 2. Preliminary Actuarial Valuation (AVR) Results

*Lisa Won, Actuary for the Office of the State Actuary, presented the 2010 Actuarial Valuation Results including background information, funding basics, along with certain preliminary information projected for the 2011 results. Ms. Won explained that no Board action is required and that information presented is to assist in adopting rates next month. Q&A took place within and following the presentation.*

## 3. DRS Benchmarking Presentation

*Mark Feldhausen, Budget and Benchmarking Director for the Department of Retirement Systems (DRS), presented the Public Pension Administration Benchmarking Analysis fiscal year summary ending June 30, 2011.*

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*He discussed the history of benchmarking, the peer group, cost, service, implementing change, the complexities involved and how the DRS is using this data.*

## 4. Contribution Rate Setting

*Greg Deam, Senior Research and Policy Manager provided Trustees with information regarding contribution rate setting, including statutory information, goals and achievements, history and options to consider for the 2013-15 biennium. Discussion followed.*

## 5. Organizational Life Cycle

*Tim Valencia, Senior Research and Policy Manager reviewed the concept of the Organizational Life Cycle, what it looks like, how it works, what it means and how it can be used to facilitate change and maintain a healthy organization. Steve Nelsen further spoke regarding what ways Organizational Life Cycle may impact our agency and what steps will be taken to move into the next phase of maturity. Mr. Fox validated the process and encouraged Trustees to participate whole-heartedly.*

## 6. Administrative Update

*Steve Nelsen, Executive Director informed the Board that annual retirement statements have been mailed out to LEOFF 2 members, as well as the spring newsletter. In addition, he provided an update regarding issues recently reviewed by the Select Committee on Pension Policy (SCPP), such as the job class study and salary growth/pension spiking data. Ryan Frost was introduced and a description of his scope of work as an intern provided.*

## 7. Agenda Items for Future Meetings

*Board requested a high level salary growth/pension spiking data presentation for the July meeting in response to the information Mr. Nelsen provided during his update.*

## ADJOURNMENT

*There being no further business, the meeting was adjourned at 1:23 P.M.*

### NEXT MEETING

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for July 25, 2012 at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.