

BOARD MEETING MINUTES

SEPTEMBER 26, 2012 – FINAL



TRUSTEE AND STAFF ATTENDANCE

Absent	Mr. Kelly Fox, Chair – Olympia Fire District	
In Attendance	Mr. Jack Simington, Vice Chair – Kennewick Police Department	
In Attendance	Mr. Ryan Martin – Vancouver Police Department	
In Attendance	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	
In Attendance	Mr. Paul Golnik – WA Fire Commissioners Association	
In Attendance	Mr. Glenn Olson – Clark County	
Teleconference	Mr. David Cline – City of Tukwila	(left after agenda item 5)
Teleconference	Senator Jim Honeyford – WA State Senator	(left after agenda item 8)
Absent	Representative Kevin Van De Wege – WA State Representative	
In Attendance	Steve Nelsen – Executive Director	
In Attendance	Jessica Burkhart – Executive Assistant	
In Attendance	Tammy Harman – Admin Services and Communications Mgr	
In Attendance	Tim Valencia – Senior Research and Policy Manager	
In Attendance	Greg Deam – Senior Research and Policy Manager	
In Attendance	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 September 26, 2012. A quorum of the members was present at this meeting.

OPENING | Vice Chair Jack Simington 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 APPROVED | *It was moved to approve the Board meeting minutes from July 25, 2012. Motion seconded. The Board approved the minutes without objection.*

2. Independent Fiscal Audit Report

Mr. Steve Davis reported no findings from the year end 2012 independent fiscal audit. One item is pending from the Attorney General’s office regarding whether or not there is any current litigation happening with the Board, however he does not expect any changes in his findings.

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3. WSIPP Review of Public Pensions

Annie Pennucci and John Bauer reported on behalf of the Washington State Institute for Public Policy regarding their role with the legislature as a non-partisan research organization, information on their current project regarding pension plans and provided some preliminary data from that study. They clarified that the study will not specifically address any “spiking” issues, rather will bring to light where more information is needed.

4. Salary Growth Follow-Up

Mr. Valencia presented a follow-up on question regarding salary growth assumptions presented at the last meeting. He specifically addressed the report data compared to the salary growth assumption and differences in the data covered and calculation methodology.

5. Board Member Expectations Review

Mr. Nelsen provided a summary of the conversations regarding expectations which took place over the last six weeks. He reviewed the process and purpose of the conversations and presented findings. Trustees were asked to confirm or clarify the expectations presented and provide a baseline evaluation in the next month to assist staff in developing process improvements and celebrate successes. The goal is to devise a tool for gaining ongoing feedback.

6. October Board Meeting Recommendations

Mr. Nelsen presented a follow-up to a request that he develop an alternative format to the October meeting. The purpose would be to provide an opportunity for Board members to get to know each other informally and discuss differing expectations. Discussion took place regarding whether or not to hold the meeting

Action Taken | It was moved to hold a meeting in Olympia. Motion Seconded. The Board approved the motion without objection.

Action Taken | It was moved to hold a full day meeting. Motion Seconded. The Board approved the motion with Senator Honeyford and Mr. Golnik opposed.

Action Taken | It was moved to hold a partially open and partially closed meeting at the discretion of the Executive Director and Attorney General based on the agenda items and the Open Public Meetings Act. Motion Seconded. The Board approved the motion without objection.

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7. Administrative Update

Mr. Nelsen provided an update on activities by the Select Committee on Pension Policy (SCPP) and provided a report from the Office of the State Actuary on their preliminary analysis of recommended changes to LEOFF 2 administrative factors following the Board's adoption of new long-term economic assumptions in 2011.

Action Taken | It was moved to have a briefing provided at the November Board meeting on the issue of retirement transitions into and out of LEOFF Plan 2. The Board approved the motion with Senator Honeyford opposed.

8. Tuition Reimbursement – Initial Consideration

Mr. Deam presented an initial consideration on the topic of tuition reimbursement presenting that the mandatory tuition waiver legislation passed in 2010 may not apply to technical colleges.

Action Taken | It was moved to hear a preliminary report regarding this issue. The motion was seconded and approved by the Board without objection.

9. Agenda Items for Future Meetings

Mr. Nelsen reviewed items the Board discussed to add to the agenda items calendar for November and December. It was clarified that the Board has not endorsed or asked for legislation for the upcoming 2013 session.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:10.

NEXT MEETING | The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for October 24, 2012. The location and format is to be determined.