

BOARD MEETING MINUTES

JULY 22, 2015 – FINAL



TRUSTEE AND STAFF ATTENDANCE

Teleconference	Mr. Kelly Fox, Chair – Olympia Fire District
Absent	Vice Chair – Vacant
In Attendance	Representative Jeff Holy – Spokane Police Department (Retired)
Absent	Mr. Wally Loucks – Spokane County Sheriff’s Office
Teleconference	Mr. Mark Johnston – Vancouver Fire Department
In Attendance	Mr. Michael White – Valley Regional Fire Authority
Absent	Mr. Paul Golnik – WA Fire Commissioners Association
In Attendance	Mr. David Cline – City of Tukwila
Absent	Representative Kevin Van De Wege – WA State Representative
Absent	Councilmember Dave Upthegrove – King County Council District 5
Teleconference	Senator Judy Warnick – WA State Senator
In Attendance	Steve Nelsen – Executive Director
In Attendance	Tim Valencia – Deputy Director
In Attendance	Jessie Jackson – Executive Assistant
In Attendance	Jessica Burkhart – Administrative Services Manager
Absent	Tammy Harman – Death and Disability Ombudsman
In Attendance	Paul Neal – Senior Research and Policy Manager
In Attendance	Ryan Frost – Research and Policy Manager
In Attendance	Kathryn Wyatt – Assistant Attorney General

CALL TO ORDER

The LEOFF Plan 2 Retirement Board met in the Washington State Investment Board conference room in Olympia, Washington on July 22, 2015. A quorum of the members was not present at the start of this meeting but later became available.

OPENING | David Cline called the meeting to order at 9:35AM 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

Approval of December 17, 2014 meeting minutes and June 22, 2015 minutes.

MOTION | It was moved to approve the Board meeting minutes from December 17, 2014. Motion seconded. The Board approved the minutes without objection.

MOTION | It was moved to approve the Board meeting minutes from June 24, 2015. Motion seconded. The Board approved the minutes without objection.

2. Individual Health Savings Accounts

Ryan Frost, Research and Policy Manager spoke to the board regarding a gap in healthcare coverage for public safety employees from the time of retirement to when Medicare coverage begins. Senator Steve Hobbs spoke to the board regarding Senate Bill 6071, a bill he introduced this legislative session,

BOARD MEETING MINUTES

JULY 22, 2015 – FINAL



authorizing benefit funding accounts for members of the Law Enforcement Officers' and Firefighters' Retirement System Plan 2. Thoughts and feedback were requested by Senator Hobbs so that the bill may be improved before the 2016 legislative session. No action was taken at this time as a quorum was not available.

3. PEBB Access

Mary Fliss, Deputy Division Director for Public Employees Benefit Board (PEBB), spoke to the board regarding eligibility and coverage of PEBB Employer Group Participation.

4. DRS Update and CEM Benchmarking

Mark Feldhausen, Budget and Performance Management Director for the Department of Retirement Systems, presented the Public Pension Administration Benchmarking Analysis summary from fiscal year 2014.

5. Economic Experience Study Overview

Lisa Won, Deputy State Actuary from the Office of the State Actuary presented an overview of their Economic Experience Study which is performed every two years. The last demographic experience study was presented to the board last year on years 2007-2012.

6. Administrative Factors Preview

Lisa Won, Deputy State Actuary from the Office of the State Actuary, presented a preview of the administrative factors, their purpose and the board's role in taking action in updating future factors. OSA will calculate new factors based on updated assumptions and share the results with the LEOFF 2 Board at the September board meeting.

7. Pension Garnishment

Paul Neal, Senior Research and Policy Manager reviewed the current Washington law governing garnishment of LEOFF Plan 2 pensions.

MOTION

Chair Fox moved to continue discussion of this topic at a future board meeting. The motion was seconded and carried unanimously.

8. Public Testimony by Renee Mahr and Jolin Lowry

Renee Mahr and Jolin Lowry spoke to the board to give thanks for the board's involvement and work during the last ten years resulting in the passage of SHB 1194 during the 2015 legislative session. They presented a plaque to the board to show their appreciation.

9. Administrative Update

Steve Nelsen, Executive Director provided his administrative update to the board.

BOARD MEETING MINUTES

JULY 22, 2015 – FINAL



SCPP UPDATE	SCPP held their first meeting of the year on July 21 st . The committee does not have a plan for this interim yet. They are skipping the August meeting and will be meeting in September next. Director Nelsen was asked to speak during the Executive session meeting and will be speaking again at the September meeting.
OUTREACH ACTIVITIES	Director Nelsen and Ryan Frost attended the WSCFF Annual Convention, providing outreach and resources with a table at the event. Tammy Harman is currently providing an Ombudsman presentation at the Disability Employment Governor’s Task Force.
STAFF NEWS	Paul Neal celebrated his 20 year anniversary of state service this past month.

10. Final Legislative Update

Ryan Frost, Research and Policy Manager provided a final legislative update to the board. Contribution rates were fully funded in the Legislature’s final budget. A \$15,776,000 payment was made into the Benefit Improvement Account from the LEOFF Plan 2 Trust.

ACTION	Representative Holy requested that staff provide a briefing to provide board members with further information at a future board meeting.
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11. Agenda Items for Future Meetings

MOTION	It was moved to cancel the August 26, 2015 meeting. The motion was seconded and passed unanimously.
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ADJOURNMENT

There being no further business, the meeting was adjourned at 12:07 PM. The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for September 23rd at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.