

# BOARD MEETING MINUTES

DECEMBER 16, 2015 - FINAL



## TRUSTEE AND STAFF ATTENDANCE

Absent	Mr. Kelly Fox, Chair – Olympia Fire District
In Attendance	Mr. Jason Granneman – Clark County Sheriff’s Office
In Attendance	Representative Jeff Holy – Spokane Police Department (Retired)
Teleconference	Representative Kevin Van De Wege – WA State Representative
Teleconference	Senator Judy Warnick – WA State Senator
Absent	Councilmember Dave Upthegrove – King County Council District 5
Teleconference	Mr. Wally Loucks – Spokane County Sheriff’s Office
In Attendance	Mr. Mark Johnston – Vancouver Fire Department
In Attendance	Mr. Paul Golnik – WA Fire Commissioners Association
In Attendance	Mr. David Cline – City of Tukwila
In Attendance	Mr. Michael White – Valley Regional Fire Authority
In Attendance	Steve Nelsen – Executive Director
In Attendance	Tim Valencia – Deputy Director
In Attendance	Jessie Jackson – Executive Assistant
Absent	Jessica Burkhart – Administrative Services Manager
In Attendance	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	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 December 16, 2015. A quorum of the members was present at this meeting.

OPENING	Vice Chair Jason Granneman called the meeting to order at 9:30AM and requested those present to take a moment of silence to honor those who had fallen since the last the Board.
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## 1. APPROVAL OF MINUTES

MOTION	It was moved to approve the Board meeting minutes from November 18, 2015. Motion was seconded. The Board approved the minutes without objection.
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## 2. DISASTER RESPONSE COVERAGE - FINAL PROPOSAL

Ryan Frost, Research and Policy Manager, provided a Final Proposal on the topic of Disaster Response Coverage. A summary of this proposal provides LEOFF Plan 2 members who are called up into eligible federal service to respond to natural disasters (Oso, wildfires) or other federal emergencies (WTO riots) with similar benefit protections provided to members of the National Guard or Military Reserves who are called up during a time of war. Two options were presented to the board for consideration.

**Option 1** – Vote to submit bill draft to Legislature for passage.

**Option 2** – Take no further action.

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MOTION

It was moved to adopt Option 1 and submit a bill draft to Legislature for passage. Motion was seconded. After discussion Vice Chair Granneman called for votes. Two objections were received from David Cline and Wally Loucks. Motion was passed.

### 3. RETIREE RETURN TO WORK – FINAL PROPOSAL

Paul Neal, Senior Research and Policy Manager, provided a final proposal on the issue of Retiree Return to Work. This proposal would reintroduce 2014 Legislation, (HB 2479), preventing LEOFF Plan 2 retirees from drawing their pension while working in positions eligible for LEOFF even if the position is:

- Less than full time
- Less than fully compensated
- Not fully commissioned
- Includes additional non-LEOFF duties
- filled by an independent contractor

Two options were provided to the board.

**Option 1** – Vote to submit bill draft to Legislature for passage.

**Option 2** – Take no further action.

MOTION

It was moved to approve Option 2 and explore this issue further next interim. Motion was seconded. Vice Chair Granneman asked for a call of votes. Motion was carried unanimously.

### 4. RETIRE ANNUITY PURCHASE - FINAL PROPOSAL

Paul Neal, Senior Research and Policy Manager presented a Final Proposal on the issue of the purchase of an annuity by LEOFF 2 retirees. Current state law does not allow retirees to roll over tax deferred savings into LEOFF Plan 2 to purchase an annuity. This final proposal would allow LEOFF Plan 2 retirees who retired before October 1, 2014, a six month window to purchase an annuity through LEOFF. The annuity would be offered under the same terms as the current option. Two options were presented to the board for consideration.

**Option 1** – Vote to submit bill draft to Legislature for passage.

**Option 2** – Take no further action.

MOTION

It was moved to adopt Option 1 and submit a bill draft to Legislature for passage. Motion was seconded. Motion was carried unanimously.

### 5. ADMINISTRATIVE UPDATE

Steve Nelsen, Executive Director provided an administrative update to the board. Assistant Attorney General Dawn Cortez will no longer will be working with the LEOFF 2 Board due to changes and restructuring at the Office of the Attorney General. The new attorney is to be announced shortly via a letter to Director Nelsen and will be introduced at the next regular board meeting.

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## OUTREACH ACTIVITIES

Deputy Director, Tim Valencia attended a WASPC meeting.  
Ombudsman, Tammy Harman presented at the WSCFF Executive Board meeting.  
There are 14 confirmed outreach activities on the calendar for 2016.

## 6. 2016 MEETING CALENDAR ADOPTION

Director Nelsen reviewed the proposed schedule for the 2016 meeting calendar. A survey was sent by staff to the board to inquire the board's preference for scheduling. Two conflicts with the proposed dates were discussed and alternative dates were reviewed. The proposed alternative dates are September 21<sup>st</sup> (instead of September 28<sup>th</sup>) and December 7<sup>th</sup> (instead of December 28<sup>th</sup>).

## MOTION

A motion to adopt the 2016 meeting dates with the amendments of September 21<sup>st</sup> and December 7<sup>th</sup> was moved. The motion was seconded and passed unanimously.

## 7. AGENDA ITEMS FOR FUTURE MEETINGS

Director Nelsen reviewed items for the upcoming interim. The action taken at today's meeting will place the issue of Retiree Return to Work on the 2016 interim work plan. Staff will lay out an interim work plan to be discussed with the board at the first regular meeting after session. Rates have been set by the board for the 2017-2019 biennium and a discussion to review and adopt or change these rates will likely occur at the July meeting.

## ADJOURNMENT

There being no further business, the meeting was adjourned at 10:20AM.

## NEXT MEETING

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for January 27<sup>th</sup>, 2016 at the Washington State Investment Board, 2100 Evergreen Park Drive SW Suite 100, Olympia, WA 98502.