

BOARD MEETING MINUTES

MARCH 28, 2018 - FINAL



TRUSTEE AND STAFF ATTENDANCE

In Attendance	Dennis Lawson, Chair – Central Pierce Fire and Rescue
Absent	Mr. Jason Granneman, Vice Chair – Clark County Sheriff’s Office
In Attendance	Representative Jeff Holy – Spokane Police Department (Retired)
In Attendance	Representative Steve Bergquist – WA State Representative
Teleconference	Senator Judy Warnick – WA State Senator
Absent	Mr. Adé Ariwoola – City of Federal Way
Absent	Mr. Dwight Dively – King County
In Attendance	Mr. Mark Johnston – Vancouver Fire Department
Absent	Mr. Wally Loucks – Spokane County Sheriff’s Office
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
In Attendance	Jessica Burkhart – Administrative Services Manager
In Attendance	Tammy Harman – Death and Disability Ombudsman
In Attendance	Ryan Frost – Research and Policy Manager
In Attendance	Tor Jernudd – Assistant Attorney General

CALL TO ORDER

The LEOFF Plan 2 Retirement Board met at the Washington State Investment Board Olympia, Washington on March 28, 2018. A quorum of the members was present at this meeting.

OPENING

Chair Dennis Lawson called the meeting to order at 9:32AM 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

A motion to adopt the minutes from December 20th, 2017, January 17th and February 28th was made. Motion was seconded. Motion was passed unanimously.

2. 2018 LEGISLATIVE UPDATE

Ryan Frost, Research and Policy Manager, gave a legislative update to the Board.

2018 Supplemental Budget

Budget Provisions Affecting LEOFF Plan 2

- Contribution Rates
 - Continues to fully fund the LEOFF Plan 2 Retirement Board’s employer and state contribution rates.

Proposals Not Included in Final Budget

- Benefit Improvement Account
 - Governor Inslee’s supplemental budget proposed a payment of \$25 million into the benefit improvement account. That payment was not included in the final budget passed by the legislature.

Bills Affecting LEOFF 2 - Passed

Interruptive Military Service Credit (ESHB 2701)

- Corrects the current definition of “Veteran”
- LEOFF Plan 2 Board Request Legislation

BOARD MEETING MINUTES

MARCH 28, 2018 - FINAL



PTSD (SSB 6214)

- Allowing industrial insurance coverage for posttraumatic stress disorders affecting law enforcement officers and firefighters.

McNeil Island Firefighters (SHB 2786)

- Adds the Department of Social and Health Services and the Department of Corrections to the definition of "employer" for LEOFF Plan 2 when employing firefighters serving at a prison or civil commitment center on an island.

LEOFF Plan 2 Board's Executive Director Salary (HB 2709)

- The LEOFF 2 Board is authorized to fix the salary of the Executive Director, and the authority of the OFM to limit the salary of the Executive Director fixed by the LEOFF 2 Board is removed.

Bills Affecting LEOFF Plan 2 - Not Passed

Presumption of Occupational Diseases (ESB 6213)

- Makes the occupational disease presumptions for firefighters applicable to certain emergency medical technicians and public employee fire investigators and adds additional cancers to the cancer occupational disease presumption.
- Creates an occupational disease presumption for heart problems and infectious diseases for law enforcement officers.
- Requires the Department of Labor and Industries to convene a workgroup to recommend options for amending first responder occupations and diseases for application of a presumption.

Authorizing Community And Technical Colleges To Establish A Police Force On Their Campuses (SB 6119)

- Currently, only the State's four-year institutions have this authorization.

Creating A Property Tax Exemption For Spouses Of Military Members Or First Responders Killed In The Line Of Duty (SB 6300)

- Creates a lifetime property tax exemption for primary residences owned by persons whose spouses were killed in the line of duty, either in the military or as a first responder.
- Continues exemption even if surviving spouse remarries.

SCPP Bills

Providing A Benefit Increase To Certain Retirees Of The PERS 1 And TRS 1 Systems (SSB 6340)

- A one-time increase of 1.5 percent is provided to retirees of the PERS 1 and TRS 1 systems monthly benefits, up to a maximum increase of \$62.50 on July 1, 2018.

3. INTERIM PLANNING

Ryan Frost, Research and Policy Manager gave a presentation to the Board on potential topics that may be considered for the interim. Actuarial and administrative topics that occur annually were also discussed.

Actuarial Topics

1. Contribution Rate Adoption
2. Supplemental Rate Adoption - June/July Preliminary Rates
3. LEOFF 2 Actuarial Valuation
4. Update On Cost Of Benefit Improvements
5. Funding Policy Discussion

Potential Topics

1. PEBB Coverage For Catastrophic Retirees
2. Disabled Members Return To Work

BOARD MEETING MINUTES

MARCH 28, 2018 - FINAL



3. Retiree Return To Work
4. Standby Pay As Earnable Compensation
5. Definition Of Child
6. Presumption Of Occupational Diseases
7. Out Of State Duty

Administrative Topics

1. DRS Duty Disability Rulemaking Project – Waiting For Hearing
2. Financial Audit - Yearly
3. DRS/SIB Annual Presentations
4. October Offsite Planning Meeting
5. Annual AG Training
6. Alternate Revenue Update – Historical And Future

Pat McElligott suggested the Board consider a window bill for choosing retirement date. He also asked for a copy of the proposed bill that the state of California had for their topic of Out of State Duty.

Chair Lawson asked that staff forecast a calendar so Trustees will know in advance which topics will be addressed and if action or proposed action will be taken.

4. ADMINISTRATIVE UPDATE

Steve Nelsen, Executive Director gave an administrative update to the Board.

STAFF NEWS	Paul Neal recently accepted a new position with the Joint Transportation Committee. Director Nelsen will be recruiting for his replacement.
BOARD VIDEOS	A new video, "LEOFF Plan 2 Disability Retirement Benefits" is now posted on www.leoff.wa.gov as well as YouTube: https://youtu.be/f0nJJ_2E9GA
DRS RULEMAKING	DRS has been working on finalizing draft rules. The public hearing on adoption of these rules will be scheduled soon. Interagency meetings have not been occurring during legislative session.
OUTREACH	Tammy attended C.O.P.S Spring meeting on March 24 th . WSCFF Educational Seminar will take place April 17-19. Director Nelsen will attend and Tammy Harman will have an outreach table at the event.
QUARTERLY BUDGET UPDATE	Budget updates will continue on a quarterly basis, as well as an annual audit later this year.
EMAIL ADDRESS MIGRATION	Board member and staff email address migration will occur on April 1 st .

5. EXECUTIVE SESSION

At 10:15 AM the Board moved to executive session for no more than 30 minutes, for the purpose of evaluating results of the Executive Director performance evaluation. At 10:45 AM Trustee Pat McElligott returned to let the public know the Board would continue executive session for an additional 10 minutes. The Board returned from executive session at 10:59 AM.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:05 AM.

NEXT MEETING	The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for April 25 th , 2018 at the Washington State Investment Board located at 2100 Evergreen Park Drive SW Olympia, WA 98502.
---------------------	--