

BOARD MEETING MINUTES

JUNE 26, 2019 – FINAL



TRUSTEE AND STAFF ATTENDANCE

In Attendance	Dennis Lawson, Chair – Central Pierce Fire and Rescue
Absent	Jason Granneman, Vice Chair – Clark County Sheriff's Office
In Attendance	Adé Ariwoola – City of Federal Way
In Attendance	Mark Johnston – Vancouver Fire Department
Teleconference	AJ Johnson – Snohomish County Fire District #1
In Attendance	Representative Jeff Holy – Spokane Police Department (Retired)
In Attendance	Tarina Rose-Watson – Spokane Int'l Airport Police Dept
In Attendance	Pat McElligott – Pierce County Fire and Rescue
Absent	Senator Judy Warnick – WA State Senator
In Attendance	Representative Steve Bergquist – WA State Representative
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 – Benefits Ombudsman
Absent	Jacob White – Senior Research and Policy Manager
In Attendance	Chantal Won – Research Intern
Absent	Tor Jernudd – 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 June 26, 2019. A quorum of the members was present at this meeting.

Chair Dennis Lawson called the meeting to order at 9:33 AM 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 from the May 15, 2019 meeting are before the Board for approval.

ACTION | It was moved to approve the Board meeting minutes from May 15, 2019. Motion seconded. The Board approved the minutes without objection.

2. SUPPLEMENTAL RATE PREVIEW

Tim Valencia, Deputy Director presented a supplemental rate preview to the Board. A supplemental rate may be necessary due to the passage of House Bill 1913 which adds medical conditions to the presumption, extending the presumption to certain publicly employed firefighters and investigators and law enforcement, addressing the qualifying medical examination, and creating an advisory committee.

An outside actuary, Marilyn Oliver from Bartel & Associates, will complete a fiscal note audit and results will be provided by letter in July. Options will be presented to the Board at the July 24th meeting for possible adoption of a supplemental contribution rate.

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3. INTERIM WORK PLAN ADOPTION

Steve Nelsen, Executive Director reviewed the draft work plan for the 2019 interim. A draft calendar was provided in the meeting materials for Trustees.

ACTION

It was moved and seconded to adopt the interim work plan as presented. Motion was seconded. A motion for an amendment was made to replace the topic of Standby Pay as Basic Salary with PEBB Coverage. Motion to amend was seconded. Motion passed unanimously.

4. BENEFIT IMPROVEMENT ACCOUNT

Steve Nelsen, Executive Director provided background on the history and purpose of the LEOFF 2 Benefit Improvement Account (BIA). He identified questions arising from the State's recent transfer of \$300 million from the LEOFF 2 Trust Fund into the BIA, and the closure of the local public safety enhancement account.

The LEOFF 2 Board must determine what benefit improvement to fund out of the account. Policy options will be presented to the Board at a future meeting.

5. ADMINISTRATIVE UPDATE

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

New Employee

Chantal Won is the newest addition to our team. Chantal will serve as a non-permanent part time Research Intern until September 20.

Agency Move

An Emergency Relocation Letter including requested square footage and one-time costs associated with the move was sent to OFM Real Estate on June 18. We anticipate receiving a response within the next month. We will keep you posted as we move through the process with OFM and DES Real Estate

Outreach Activities

Tammy Harman attended the WASPC Spring Expo, May 20-22

Tim Valencia presented to Puget Sound Fire, June 14

Tim Valencia and Tammy Harman provided an outreach table at the WSCFF Annual Convention June 18-20

Expectation Interviews

Jessie Jackson will be emailing Trustees to schedule their annual Expectation Interviews with Director Nelsen during the summer months.

6. 2019-2021 BUDGET PREVIEW

Tim Valencia, Deputy Director presented a budget preview to the Board for the 2019 – 2021 biennium. Adoption of the budget will occur at the July 24th meeting.

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7. INTERRUPTIVE MILITARY SERVICE CREDIT

Steve Nelsen, Executive Director presented an initial presentation to the Board on Interruptive Military Service Credit. For purposes of receiving no-cost interruptive military service credit, the legislature has attempted to distinguish between service in combat zones and other types of service, based on federal law. The federal law has recently changed so changes in state law may also be necessary. We will continue to work on policy issues throughout the interim. Senior Research and Policy Manager Jacob White will present an initial presentation to the Board at the July meeting.

8. AGENDA ITEMS FOR FUTURE MEETINGS

Steve Nelsen, Executive Director reviewed upcoming agenda items for the July 24th meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:24PM.

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for July 24, 2019 at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.