

BOARD MEETING MINUTES

JULY 27, 2016 - FINAL



TRUSTEE AND STAFF ATTENDANCE

In Attendance	Mr. Kelly Fox, Chair – Olympia Fire District
Teleconference	Mr. Jason Granneman, Vice Chair – Clark County Sheriff’s Office
In Attendance	Representative Jeff Holy – Spokane Police Department (Retired)
In Attendance	Representative Kevin Van De Wege – WA State Representative
In Attendance	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
Absent	Mr. Michael White – Valley Regional Fire Authority

CALL TO ORDER

The LEOFF Plan 2 Retirement Board met in the Washington State Investment conference room in Olympia, Washington on July 27, 2016. A quorum of the members was present at this meeting.

OPENING | David Cline called the meeting to order at 9:33AM 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 June 22nd, 2016. Motion was seconded. The Board approved the minutes without objection.

2. VALUATION AUDIT RESULTS

Nick Collier and Daniel Wade, Consulting Actuaries at Milliman presented an overview of their actuarial audit for the 2015 valuation. No recommended changes are being made.

3. CONTRIBUTION RATE ADOPTION

Ryan Frost, Research and Policy Manager presented the options for contribution rate setting for the next two biennium. Rates have already been previously adopted, but the Board has the opportunity to adopt new rates in July. The following three options were presented to the Board for consideration.

Option	Member	Employer	State
1: Maintain Existing Adopted Rates for 2017-2019	8.85%	5.31%	3.54%
2: 100% EANC from 2015 Valuation	8.75%	5.25%	3.50%
3: 90% EANC from 2015 Valuation	7.88%	4.73%	3.15%

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MOTION | It was moved to adopt option #2 for the next two biennium. The motion was seconded. The motion passed unanimously.

4. DRS ANNUAL UPDATE

Jacob White, Legal and Legislative Services Manager at the Department of Retirement Systems, gave a Year in Review presentation to the Board. Executive Director Marcie Frost joined the meeting after the first break and addressed the Board.

MOTION | A motion was made to add the topic of Final Month Payment to the 2016 agenda items calendar. Motion was seconded. The motion passed unanimously.

5. ADMINISTRATIVE UPDATE

Steve Nelsen, Executive Director, gave his administrative update to the board. The August 24th meeting will be cancelled. The next meeting will be September 21st, 2016. Director Nelsen will begin to conduct the annual Expectation Interviews and plans to complete these by the October 18th meeting. A quarterly budget update will be given at the next meeting.

At the last SCPP meeting they had an update on the merger study. A survey was sent to members of stakeholder groups. Survey results and comments are to be compiled and shared at a later date.

SCPP UPDATE | The SCPP is scheduling round table meetings as an open discussion forum regarding merger. The first meeting is scheduled for July 27th at 2pm, directly following the LEOFF 2 Board meeting.

OUTREACH | Director Nelsen and Ryan Frost attended the WSCFF 77th Annual Convention in Vancouver, WA. Tammy Harman attended the Stand With Those That Serve event and provided outreach.

6. AGENDA ITEMS FOR FUTURE MEETINGS

Steve Nelsen, Executive Director, reviewed items for upcoming board meetings.

7. LEOFF 1 / LEOFF 2 MERGER STUDY – INITIAL CONSIDERATION

Steve Nelsen, Executive Director, presented an initial consideration presentation on a LEOFF 1 and LEOFF 2 merger study. A comprehensive report presentation is scheduled for the September 21st, 2016 meeting. Specific information and analysis will be provided related to LEOFF Plan 2.

MOTION | A motion was made to direct staff to work with the AAG to discuss and clarify legal issues. Motion was seconded. The motion was carried.

8. PUBLIC TESTIMONY

The following people addressed the Board:

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Josh Weiss, Director of Policy and Legislative Relations, Washington State Association of Counties

Jim Fossos, Vice President of the Retired Fire Fighters of Washington

Jerry Taylor, President of Retired Seattle Police Officers Association

Candice Bock, Government Relations Advocate, Association of Washington Cities

Dave Peery, Secretary of the LEOFF 1 Coalition

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:32 PM.

NEXT MEETING | The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for September 21, 2016 at the Washington State Investment Board located at 2100 Evergreen Park Drive SW Olympia, WA 98502.