

BOARD MEETING MINUTES

DECEMBER 18, 2019 – FINAL



TRUSTEE AND STAFF ATTENDANCE

In Attendance	Dennis Lawson, Chair – Central Pierce Fire and Rescue
In Attendance	Jason Granneman, Vice Chair – Clark County Sheriff’s Office
In Attendance	Adé Ariwoola – City of Federal Way
In Attendance	Mark Johnston – Vancouver Fire Department
In Attendance	AJ Johnson – Snohomish County Fire District #1
In Attendance	Senator Jeff Holy – Spokane Police Department (Retired)
Absent	Tarina Rose-Watson – Spokane Int’l Airport Police Dept
Absent	Wolf Opitz – Pierce County
In Attendance	Pat McElligott – City of Dupont
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
In Attendance	Jacob White – Senior Research and Policy Manager
Absent	Karen Durant – Senior Research and Policy Manager
In Attendance	Tor Jernudd – 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 18, 2019. A quorum of the members was present at this meeting.

Chair Dennis Lawson 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 meeting.

1. APPROVAL OF MINUTES

Minutes from the November 20, 2019 board meeting are before the Board for approval.

ACTION | It was moved to approve the Board meeting minutes November 20, 2019. Motion seconded. The Board approved the minutes without objection.

2. WSIB ANNUAL UPDATE

Theresa Whitmarsh, Executive Director of the Washington State Investment Board gave an annual update presentation on performance, preparation and evolution of the WSIB.

3. PENSION FUNDING POLICIES

Lisa Won, Deputy State Actuary from the Office of the State Actuary and Steve Nelsen, Executive Director gave a wrap up presentation on pension funding.

ACTION | It was moved and seconded to stay with the current aggregate cost method. Motion passed unanimously.

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ACTION | It was moved and seconded to adopt the 105% funded status trigger alternate 1 policy on slide 12 with 90%. Motion passed unanimously.

ACTION | It was moved and seconded to reconsider the previous motion.

It was moved that if the funded status of the plan exceeds 105% as measured in the most recent actuarial valuation the Board shall adopt rates the next rate setting cycle for the ensuing biennium, equal to 90% of the normal cost component of the entry age normal cost method. (Alternate 1 policy but with 90% only.)

Motion was seconded. Motion passed unanimously.

4. TRIBAL LAW ENFORCEMENT STUDY

Jacob White, Senior Research and Policy Manager gave a final presentation to the Board on the tribal law enforcement study. A final report is due to the legislature by January 1, 2020 and is before the Board for approval.

Public testimony was made by William Loisier.

ACTION | It was moved and seconded to approve the final report to Legislature. Motion passed unanimously.

5. PEBB COVERAGE FOR CATASTROPHIC RETIREES

Jacob White, Senior Research and Policy Manager gave a final presentation on PEBB. Policy options are before the Board for consideration:

- Option 1: PEBB coverage for catastrophic disability retirees
- Option 2: No action at this time

ACTION | It was moved and seconded to adopt option 2 and take no action at this time. It was requested that staff bring back more information in the interim.

6. SURVIVOR OPTION REELECTION

Jacob White, Senior Research and Policy Manager gave a final presentation on survivor option reelection. Policy options are before the Board for consideration:

- Policy Option 1 – Window for all L2 Members
- Policy Option 2 – Qualifying Event Window
- Policy Option 3 – Qualifying Event Window with Further Anti-selection Risks Mitigation

ACTION | It was moved and seconded to endorse policy option 1 with a 90 day window period. The Board approves a friendly amendment to add the other retirement plans. Motion passed unanimously.

A motion was made and seconded for staff to bring back additional information on policy options 2 and 3 in the interim. Motion passed unanimously.

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7. INTERRUPTIVE MILITARY SERVICE CREDIT

Jacob White, Senior Research and Policy Manager gave a final presentation to the board on Interruptive Military Service credit. Policy options are before the Board for consideration.

Option 1 – Move and simplify definition. To avoid the continual need for updates to the statute, move definition of “veteran” to LEOFF 2 statutes and rewrite to include all past and future armed conflicts where Campaign Badges are awarded.

Option 2 – Expand to include Expeditionary Medals. Move definition of “veteran” to pension statutes and rewrite to include all past and future armed conflicts where Campaign Badges and Expeditionary Medals are awarded.

Option 3 – Update existing statute. Update existing list of armed conflicts to include any additional campaign medals not currently included in law.

ACTION | It was moved and seconded to adopt policy option 1. Motion passed unanimously.
A friendly amendment to include all retirement plans is approved by the Board.

8. TRUSTEE ATTENDANCE

Tim Valencia, Deputy Director presented an Attendance Policy to the Board for consideration.

ACTION | It was moved and seconded to adopt the attendance policy as proposed to the Board.
Motion passed unanimously.

9. TRUSTEE EDUCATION POLICY

Tim Valencia, Deputy Director presented an Education Policy to the Board for consideration.

ACTION | It was moved and seconded to adopt the trustee education policy as proposed to the Board. Motion passed unanimously.

10. 2020 MEETING CALENDAR ADOPTION

Alternate dates for the November 2020 meeting are before the Board for approval.

ACTION | It was moved and seconded to meet on November 9, 2020. Motion passed unanimously.

11. ADMINISTRATIVE UPDATE

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

The agency has not received the final approval for the relocation yet.

WACOPS and DRS held a workshop meeting to discuss PTSD with employees from LNI, DRS and LEOFF 2 on December 10th.

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ADJOURNMENT

There being no further business, the meeting was adjourned at 12:56 PM.

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for January 22, 2020 at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.