



# Benefit Improvement Account 4<sup>th</sup> Educational Briefing

September 29, 2021

# Previous BIA Educational Briefings

1. Benefit improvement proposed as part of SB 5453, including OSA presentation on their fiscal note
2. The mechanics and impact of using the LEOFF 2 Benefit Improvement Account to pay for a benefit improvement; issues related to purchase with BIA when the BIA does not have enough money to fully pay for the benefit
3. The Board's policy goals of purchasing a benefit improvement using the BIA

# Purpose of Today's Briefing

- Number of questions came up during previous BIA briefings
- Review these questions and provide an opportunity for input from the Board to determine next steps

# Active Member Benefit Questions

1. Should the demarcation date between qualifying for the lump sum vs qualifying for the increased multiplier be back-dated prior to the passage of a bill or after the effective date of the bill?
2. Should members who retire after the passage of the bill, with less than 15 years of service, receive a lump sum payment?

# Retired Member Benefit Questions

1. Should retirees have an option to purchase an annuity with their lump sum payment?
2. Should the lump sum payment go to all employees regardless of years of service?

# Funding Questions

1. Does the Board want to receive options from OSA on the potential issues regarding the intent of the BIA to pre-fund a benefit and the Board's current funding policy?

# Next Steps

- Is there consensus on how the Board would like to address any of the issues discussed today?
- If not, does the Board want staff to bring back additional information (i.e. detailed pros and cons) of the remaining questions for November meeting?



**Thank You**

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