

# BOARD MEETING MINUTES

## NOVEMBER 17, 2021 – 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)
In Attendance	Tarina Rose-Watson – Spokane Int'l Airport Police Dept
In Attendance	Wolf Opitz – Pierce County
Absent	Pat McElligott – City of Dupont
In Attendance	Representative Steve Bergquist – WA State Representative
In Attendance	Senator Ann Rivers – WA State Senator
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 Sadler – Benefits Ombudsman
In Attendance	Sarah White – Benefits Ombudsman
In Attendance	Jacob White – Senior Research and Policy Manager
In Attendance	Karen Durant – Senior Research and Policy Manager
In Attendance	Tor Jernudd – Assistant Attorney General

### Call to Order

The LEOFF Plan 2 Retirement Board met virtually via Zoom in Olympia, Washington on November 17, 2021. A quorum of the members was present at this meeting.

Chair Dennis Lawson called the meeting to order at 9:30 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 September 29, 2021 board meeting are before the Board for approval.

ACTION	It was moved to approve the Board meeting minutes from September 29, 2021. Motion seconded. The Board approved the minutes without objection.
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### 2. WSIB Annual Update

Theresa Whitmarsh, Chief Executive Officer from the Washington State Investment Board provided an annual update to the Board for 2021.

### 3. Tiered Multiplier Benefit Improvement

Jacob White, Senior Research and Policy Manager gave a comprehensive report to the Board on the Tiered Multiplier Benefit Improvement. The options below are provided to the Board for consideration. A final briefing will occur at the December meeting. Staff will draft bill and work with OSA on fiscal analysis.

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## NOVEMBER 17, 2021 – FINAL



### 1. Lump Sum Benefit

- a) \$20,000 lump sum payment to all retirees with over 5 years of service
- b) \$100 per month of service and a minimum of \$20,000 for catastrophic and duty disability retirees, and duty death beneficiaries

### 2. Tiered Multiplier

- a) Increase the plan benefit multiplier from 2% to 2.5% for the years of service between 15 and up to 26
- b) Other

### 3. Implementation

- a) Develop a policy as part of bill
- b) Fix rates for next three years and then develop a policy

#### ACTION

It was moved and seconded to adopt the options of **1b, 2a, 3a**. Motion passed unanimously.

**1. Lump Sum Benefit** b) \$100 per month of service and a minimum of \$20,000 for catastrophic and duty disability retirees, and duty death beneficiaries

#### **2. Tiered Multiplier**

- a) Increase the plan benefit multiplier from 2% to 2.5% for the years of service between 15 and up to 26

#### **3. Implementation**

- a) Develop a policy as part of bill

## 4. Interruptive Military Service Credit

Jacob White, Senior Research and Policy Manager gave a final report to the Board on Interruptive Military Service Credit. Two policy options are before the Board:

#### Option 1: Expand No-Cost Interruptive Military Service Credit

- Expand no-cost interruptive military service credit to include service where a member earns an expeditionary medal

#### Option 2: No Action

- Continue to limit eligibility for no-cost interruptive military service credit to service where a campaign medal was earned and does not include service where an expeditionary medal was earned

#### ACTION

It was moved and seconded to adopt Option 1 and expand no-cost interruptive military service credit to include service where a member earns an expeditionary medal. Motion passed unanimously.

## 5. 2020 Actuarial Valuation Results

Mitch DeCamp, Senior Actuarial Analyst from the Office of the State Actuary presented an informational presentation on the 2020 LEOFF 2 Actuarial Valuation Results.

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## NOVEMBER 17, 2021 – FINAL



### 6. Roth Deferred Option

Jacob White, Senior Research and Policy Manager gave a comprehensive report to the Board on Roth 457/Deferred Compensation Option. A final briefing will be presented at the December 15<sup>th</sup> board meeting.

### 7. Administrative Update

Steve Nelsen, Executive Director gave a brief administrative update. Representative Bergquist gave a presentation at the IFEBP conference in October. Tim Valencia attended and provided outreach at the WA State Fire Commissioners Eye to Eye meeting on October 22<sup>nd</sup>.

### 8. Economic Assumption Adoption

Steve Nelsen, Executive Director presented to the Board on economic assumptions. The Board is tasked with adopting economic assumptions every two years. Options before the Board are:

1. Adopt all the recommended assumption changes
2. Adopt only recommended assumed investment return change
3. Do not adopt assumptions changes

ACTION	It was moved and seconded to adopt Option 1 and adopt all recommended assumption changes. Motion passed unanimously.
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### 4. 2022 Meeting Calendar Adoption

Board meeting dates for 2022 are before the board for adoption.

ACTION	It was moved and seconded to adopt the dates as presented with the selection of November 16 <sup>th</sup> and December 14 <sup>th</sup> . Motion passed unanimously.
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### Adjournment

ACTION	It was moved and seconded to adjourn. Motion passed unanimously. There being no further business, the meeting was adjourned at 11:29am.
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The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for December 15, 2021 via Zoom in Olympia, WA 98502.