

BOARD MEETING MINUTES

DECEMBER 15, 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
In Attendance	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 via virtually via Zoom on December 15, 2021. 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 October and November meetings are before the Board for approval.

ACTION	It was moved to approve the Board meeting minutes from October 27 th and November 17 th . Motion was seconded. The Board approved the minutes without objection.
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2. Financial Expenditure Audit Results

Cavan Busch, Jordan Prince and Michael Hutchinson from the Office of the State Auditor presented results from the Financial Audit of July 1, 2020 - June 30, 2021. The Board’s report will be published on the State Auditors website on December 23rd.

BOARD MEETING MINUTES

DECEMBER 15, 2021 – FINAL



3. Roth Deferred Compensation Plan Option – Final Proposal

Jacob White, Senior Research and Policy Manager presented a final report on Roth Deferred Compensation Plan Option. Two options are before the Board for consideration.

Option 1: Endorse legislation

- The Board may sponsor legislation this session in case DRS's Budget Request is not included in the Governor's Budget or is cut from the final budget passed by the legislature.

Option 2: Take no action

- The Board may choose to not pursue legislation this session since DRS has submitted a Budget Request with the Governor's Office. The Board will not know whether the Budget Request was included in the Governor's Budget until after the final interim meeting in December.

ACTION | It was moved and seconded to adopt Option 1 and endorse legislation. Motion passed unanimously.

4. DRS Annual Update

Seth Miller, Director of Retirement Readiness and Tracy Guerin, Executive Director from the Department of Retirement Systems gave an annual update to the Board.

5. Tiered Multiplier Benefit – Final Proposal

Jacob White, Senior Research and Policy Manager presented a final report on Tiered Multiplier Benefit to the Board. Mitch DeCamp and Lisa Won from the Office of the State Actuary presented the results of their pricing and actuarial options to manage contribution rate impacts.

Two actuarial options are before the Board for consideration.

Option 1: Modify minimum contribution rate policy to 80% rate floor

Option 2: Offset to future contribution rates that recognize BIA transfer

ACTION | It was moved and seconded to adopt Option 2. Motion passed unanimously.

Two legislative policy options are before the Board of consideration.

Option 1: Endorse draft bill language for Tiered Multiplier Benefit

Option 2: No action

ACTION | It was moved and seconded to adopt Option 1 and endorse draft bill language. Motion passed unanimously.

6. Administrative Update

Steve Nelsen, Executive Director gave an administrative update to the Board. The State Auditor's Office is conducting an Accountability Audit.

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Stakeholder Outreach - Jacob White attended a WSCFF Executive Board meeting on December 13th to answer questions. FOP has an E-Board meeting in early January that Director Nelsen will be attending via Zoom.

This is Ade Ariwoola's final board meeting due to his retirement.

7. Executive Session

The Board went to Executive Session for 15 minutes for the discussion of the performance of a public employee. No action was taken by the Board.

Adjournment

There being no further business, the meeting was adjourned at 11:47AM.

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for January 26th via Zoom in Olympia, WA 98502.