

BOARD MEETING MINUTES

APRIL 26, 2023 – FINAL



TRUSTEE AND STAFF ATTENDANCE

Absent	Dennis Lawson, Chair – Central Pierce Fire and Rescue
Absent	Jason Granneman, Vice Chair – Clark County Sheriff’s Office
Teleconference	Mark Johnston – Vancouver Fire Department
Absent	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
Teleconference	Wolf Opitz – Pierce County
Teleconference	Pat McElligott – East Pierce County Fire
In Attendance	Representative Steve Bergquist – WA State Representative
Absent	Senator Ann Rivers – WA State Senator
Absent	Jay Burney – City of Olympia
In Attendance	Steve Nelsen – Executive Director
In Attendance	Tim Valencia – Deputy Director
In Attendance	Jessie Jackson – Executive Assistant
Teleconference	Jessica Burkhart – Administrative Services Manager
Teleconference	Tammy Sadler – Benefits Ombudsman
In Attendance	Jacob White – Senior Research and Policy Manager
Teleconference	Sarah White – Benefits Ombudsman
Teleconference	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 April 26, 2023. A quorum of the members was not present at this meeting.

Pat McElligott called the meeting to order at 9:31AM 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

There being no quorum present the approval of minutes was skipped and will occur at the next meeting.

2. Legislative Session Debrief

Jacob White, Senior Research and Policy Manager presented a legislative session debrief to the Board reviewing the status of the Board’s bill this session as well as the other bills that were followed.

The Board’s bill, HB 1007 No Cost Interruptive Military Service Credit, successfully passed and was signed by the Governor. It is effective 90 days after the end of session (July 2023). The Department of Retirement Systems will be assigning a Project Manager and LEOFF staff will continue to be in communication with DRS on this and will provide updates to the Board.

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HB 1481, Tribal Law Enforcement LEOFF 2 Eligibility, passed and was signed by the Governor. It is effective 90 days after the end of session (July 2023). Tribes will need to contact the Governor's Office to express their interest and DRS will likely be the lead agency if assigned by the Governor.

The 2023-2025 Operating Budget passed.

LEOFF 2 Budget

- The House and Senate budgets fully fund LEOFF Plan 2
- Appropriations reflect pension rates adopted by the Board

LEOFF 2 Board Staff

- General Wage Increases
- Vaccine incentive and retention bonus payments

3. Interim Planning Preview

Jacob White, Senior Research and Policy Manager presented a preview of the benefit, actuarial and administrative topics for consideration of the Board's interim workplan. No action was taken today. At the May meeting the Board will discuss the draft interim workplan further. At the June meeting the Board may vote to adopt an interim workplan.

Benefit Topics – Last interim and other issues

1. Overpayment responsibility
2. Benchmarking peer comparison
3. BIA tiered multiplier date
4. Taxation of catastrophic disability benefits
5. DROP Plan
6. Secure Act 2.0 (Federal Legislation)

Benefit Topics – 2023 Bills Not Passed

1. Firefighter definition (HB 1279/SB 5468)
2. DRS disability determination process (SB 5625)
3. DRS admin fees and UAAL charges for purchasing service credit (SB 5625)
4. DRS appeal deadlines (SB 5625)
5. Survivor reelection window prior to IRS approval (SB 5625)
6. Basic salary holiday payments definition (SB 5625)

Actuarial Topics

1. Long-term Economic Assumptions and Report on Financial Condition
2. Off-Cycle Actuarial Valuation Report Results
3. OSA Request Legislation

Administrative Topics

1. Interim Planning
2. AGO Training
3. Agency Operating Budget
4. DRS/CEM Benchmarking

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5. Board Strategic Planning and Expectations
6. 2024 Meeting Calendar
7. Financial Expenditure Audit Results
8. WSIB Annual Update
9. DRS Annual Update
10. Succession Planning
11. Recruitment, Retention, Salary Setting Structure for Staff

4. Administrative Update

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

The WSCFF had their Educational Seminar conference last week in Kennewick, the Board did not have a table this year. Next month WACOPS will have their Spring Membership Meeting and Jacob White will attend to answer questions and give a preview of potential topics on the Board's draft interim workplan.

Adjournment

There being no further business, the meeting was adjourned at 10:12AM.

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for May 17, 2023 at the Washington State Investment Board located at 2100 Evergreen Park Drive SW Olympia, WA 98502.