

# BOARD MEETING MINUTES

JULY 24, 2024 - 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	Mark Johnston – Vancouver Fire Department
Teleconference	AJ Johnson – Snohomish County Fire District #1
In Attendance	Senator Jeff Holy – Spokane Police Department (Retired)
Teleconference	Tarina Rose-Watson – Spokane Int’l Airport Police Dept
Teleconference	Wolf Opitz – Pierce County
Absent	Pat McElligott – East Pierce County Fire
Teleconference	Representative Steve Bergquist – WA State Representative
In Attendance	Darell Stidham – Spokane County Sheriff’s Office
In Attendance	Jay Burney – City of Olympia
In Attendance	Steve Nelsen – Executive Director
In Attendance	Tim Valencia – Deputy Director
In Attendance	Chloe Drawsby – Executive Assistant
In Attendance	Jessie Jackson – Administrative Services Manager
In Attendance	Tammy Sadler – Lead Benefits Ombudsman
In Attendance	Jacob White – Senior Research and Policy Manager
Teleconference	Jessica Burkhart – Benefits Ombudsman
In Attendance	Karen Durant – Senior Research and Policy
Teleconference	Manager 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 July 24, 2024. A quorum of the members was present at this meeting.

Chair Dennis Lawson called the meeting to order at 9:30 a.m. 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

The minutes from the June 2024 meeting are before the Board for consideration.

ACTION | It was moved to approve the Board meeting minutes from June 2024. Motion seconded.  
The Board approved the minutes without objection.

## 2. LEOFF 2 Board Actuarial Audit – Milliman, Inc.

Daniel Wade, Principal and Consulting Actuary and Nick Collier, Principal and Consulting Actuary working for Milliman, Inc. prepared a LEOFF 2 Board Actuarial Audit to present to the Board. Mr. Wade and Mr. Collier’s conclusion was that The Office of the State Actuary’s (OSA) valuation and resulting contribution rates calculations are accurate and based on reasonable assumptions. Milliman recommended no changes to OSA’s 2023 valuation.

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## 3. Contribution Rate Adoption

Jacob White, Senior Research and Policy Manager presented to the Board regarding contribution rate setting. The Board may adopt contribution rates for the 2025-2027 and 2027–2029 biennia. The Board’s goals are a fully funded plan and stable contribution rates. The Board adopted rates for the 2023-2025 and 2025-2027 biennia under the 4-year rate adoption in July 2022. Current contribution rates for the LEOFF Plan 2 are 8.53% for members, 5.12% for employers, and 3.41% for the state.

The options before the Board regarding contribution rate adoption are:

1. Leave the rates already adopted, step up to 9.2% over 5 years beginning in fiscal year 2028.
2. Begin step up to 9.2% immediately over 5 years.
3. Adopt aggregate rate of 9.43% for 2025-2027 and 2027-2029 biennia.

### ACTION

It was moved to adopt option #1. The Board decided to leave the rates already adopted for the 2025-2027 biennium. The Board also voted to increase rates in the 2027-2029 biennium (See table below). The Board will reevaluate the necessity for these increased rates in 2026. Motion seconded. The Board adopted option #1 without objection.

<u>Fiscal Year</u>	<u>Member Rate</u>	<u>Employer Rate</u>	<u>State Rate</u>
2026	8.53%	5.12%	3.41%
2027	8.53%	5.12%	3.41%
2028	8.66%	5.20%	3.46%
2029	8.80%	5.28%	3.52%

## 4. Board for Volunteer Firefighters and Reserve Officers - BVFF

Hailey Blankenship, Executive Secretary for the Board of Volunteer Firefighters (BVFF) presented to the LEOFF Board regarding the ins and outs of the BVFF. Hailey Blankenship answered questions and explained how the BVFF contributes to the volunteer firefighters and reserve officers. The BVFF’s Board is made up of 5 members from different Congressional Districts, The Executive Secretary, and staff, hired by the Executive Secretary. Mrs. Blankenship went over enrollment and enrollment fees, as well as pension benefits offered by BVFF.

## 5. Part-time Fire Fighter/ Reserve Officer Employment – Initial Presentation

Jacob White, Senior Research and Policy Manager gave an initial presentation to the Board regarding Part-time Firefighter/ Reserve Officer Employment. Members who are working part-time (or full-time for part of the year) may not be eligible for LEOFF benefits, including line of death and disability benefits. Prior to 2024, part-time law enforcement officers (LEO) earned service credit in the Volunteer Fire Fighter’s and Reserve Officers’ Relief and Pension Fund. The Board requested these two issues be combined for an initial

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presentation due to the overlap involving LEOFF Plan 2 members and the Board of Volunteer Fire Fighter and Reserve Officers (BVFF).

Next steps before the Board for a motion:

1. Motion for a comprehensive report on Part-time Firefighter.
2. Motion for comprehensive report on Reserve Officer Service Credit Conversion.
3. Motion for comprehensive report on both 1 and 2.
4. No action at this time.

ACTION

It was moved and seconded to motion for a comprehensive report on Part-time Firefighters (option #1.) The Board approved option #1 without objection.

## 6. Administrative Update

Executive Director, Steve Nelsen updated the Board on recent and upcoming agency education and Stakeholder outreach events. Mr. Nelsen also gave the Board facilities update regarding the LEOFF office building. The LEOFF newsletter is in the process of being completed and will be sent out to Trustees in mid-August.

Due to the Board adopting contribution rates at this meeting, the August board meeting was motioned to be canceled, meaning the next board meeting would take place in September.

ACTION

The Board motioned to cancel the August 2024 board meeting. Motion was seconded. The August board meeting was canceled without objection.

## 7. Public Comment

The LEOFF 2 Board welcomes public comment in advance of all meetings and has posted instructions on its website for the submission of written comments. Chair Lawson had no public comment to report to the Board this month.

## Adjournment

There being no further business, the meeting was adjourned at 11:28 a.m.

The next meeting of the LEOFF Plan 2 Retirement Board is scheduled for September 25, 2024. at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.