

BOARD MEETING AGENDA

JUNE 18, 2025 • 9:30AM



LOCATION - Hybrid Meeting

In-Person:
Washington State Investment Board
2100 Evergreen Park Drive SW, Suite 100
Olympia, WA 98502

Or Virtual Meeting Information at
www.leoff.wa.gov

TRUSTEES

DENNIS LAWSON, CHAIR
Central Pierce Fire and Rescue (Retired)

JASON GRANNEMAN, VICE CHAIR
Clark County Sheriff's Office (Retired)

MARK JOHNSTON
Vancouver Fire Department (Retired)

AJ JOHNSON
Snohomish County Fire

SENATOR JEFF HOLY
WA State Senator

TARINA ROSE-WATSON
Spokane Int'l Airport Police Dept.

PAT MCELLIGOTT
East Pierce County Fire and Rescue

JAY BURNEY
City of Olympia

WOLF OPITZ
Pierce County

REPRESENTATIVE STEVE BERGQUIST
WA State Representative

DARELL STIDHAM
Spokane County Sheriff's Office (Retired)

STAFF

Steve Nelsen, Executive Director
Tim Valencia, Deputy Director
Chloe Drawsby, Executive Assistant
Jessie Jackson, Administrative Services Manager
Jacob White, Senior Research and Policy Manager
Karen Durant, Senior Research and Policy Manager
Tammy Sadler, Lead Benefits Ombudsman
Jessica Burkhart, Benefits Ombudsman
Tor Jernudd, Assistant Attorney General

**THEY KEEP US SAFE,
WE KEEP THEM SECURE.**

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|----|---|-----------------|
| 1. | Approval of May 2025 Minutes | 9:30 AM |
| 2. | Executive Session - To evaluate the performance of a public employee. | 9:40 AM |
| 3. | Possible Executive Director Recruitment
Karen Durant, Sr. Research and Policy Manager | 10:30 AM |
| 4. | 2025-2027 Operating Budget Adoption
Karen Durant, Sr. Research and Policy Manager | 11:30 AM |
| 5. | Admin Update
Steve Nelsen. Executive Director | 12:30 PM |
| 6. | Public Comment | 1:00 PM |

*Public comment can be provided to the Board in writing 24 hours prior to the meeting via our reception mailbox: recep@leoff.wa.gov.

* Lunch is served as an integral part of this meeting.



Possible Executive Director Recruitment

June 18, 2025

Background

- **Steve Nelsen last day March 31, 2026**
- **Succession planning and transition top priority for the board**

Current Status

- The board has 9 months to appoint and transition new executive director – April 1, 2026
- Options for executive director recruitment
 - Open recruitment – search firm contract
 - Internal appointment

Open Executive Recruitment - Advantages

- Possible larger potential candidate pool for selection
- Potential different external perspective on issues

Open Executive Recruitment - Disadvantages

- Cost for retained or contingency recruitment usually 20% - 35% (approx. \$40K - \$70K)
- Takes valuable time away from succession transition
- Recruitment may not produce quality candidates (position is highly specialized)
- Open recruitment may make internal candidates feel undervalued

Internal Appointment - Advantages

- Succession transition can begin sooner
- No external costs
- Knowledge and experience is directly relevant with historical perspective
- Key relationships already exist with stakeholders and expertise is known

Next Steps

- Does the Board need additional information?
- Board decision on direction



Thank You

Karen Durant

Senior Research and Policy Manager

(360) 586-2325

karen.durant@leoff.wa.gov



2025–2027 Operating Budget Adoption

June 18, 2025

Background

- The Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 Expense Account (Fund 548) was created in RCW 41.26.732
- Fund 548 is not subject to appropriation in the budget process, but the expenditures are subject to review and approval by the Office of Financial Management

Budget Overview

- **Expenditures necessary to meet statutory/fiduciary responsibility**
 - Board meetings
 - Member/Stakeholder communications & outreach
 - Professional development
 - Contracts for services
 - Agency operations

2025 - 2027 LEOFF Expenditure Plan

Expense Category	Expenditure
Salary & Wages	\$2,183,334
Employee Benefits & Taxes	\$551,382
State Actuary Services	\$257,112
Rent & Utilities	\$124,176
State Central Services	\$427,055
Staff & Trustee Development	\$253,505
Communications & IT	\$165,348
Contracts	\$55,000
Other Operating Expenses	\$58,088
TOTAL	\$4,075,000

2026 Supplemental Request

Expense Item	Request
Retirement Cashout	\$77,000
2023-25 Staff Merit Increases	\$33,000
2025-27 GWI Adjustment	\$5,000
Office of State Actuary Increase	\$16,000
Lease Increase	\$11,000
Actuarial Audit Contracts	\$15,000
Contract Special AAG	\$10,000
Member Communications	\$34,000
TOTALS	\$201,000

Board Actions

1. **Adopt the 2025 - 2027 expenditure plan (motion required)**
2. **Direct staff to develop 2026 Supplemental Request (motion required)**



Thank You

Karen Durant

Senior Research and Policy Manager

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