BOARD MEETING MINUTES
JULY 22, 2026 - FINAL

TRUSTEE AND STAFF ATTENDANCE

Absent	Dennis Lawson, Chair – Central Pierce Fire & Rescue (Retired)
In Attendance	Jason Granneman, Vice Chair – Clark County Sheriff's Office (Retired)
Teleconference	Ryan Reese – Clark County Fire
Teleconference	AJ Johnson – Snohomish County Fire District #1
In Attendance	Senator Jeff Holy – WA State Senator
In Attendance	Chris Tracy – Tacoma Police
In Attendance	Wolf Opitz – Pierce County
Teleconference	Pat McElligott – East Pierce County Fire & Rescue
Teleconference	Representative Steve Bergquist – WA State Representative
In Attendance	Darell Stidham – Spokane County Sheriff's Office (Retired)
Absent	Jay Burney – City of Olympia
In Attendance	Jacob White – Executive Director
In Attendance	Karen Durant – Deputy Director
In Attendance	Chloe Drawsby – Executive Assistant
In Attendance	Jessie Jackson – Administrative Services Manager
In Attendance	Tammy Sadler – Lead Benefits Ombudsman
In Attendance	Dave Dunlap – Senior Research and Policy Manager
In Attendance	Jessica Burkhart – Benefits Ombudsman
In Attendance	Tim Valencia – Senior Research and Policy Manager
In Attendance	Kate Adams – Assistant Attorney General

Call to Order

The LEOFF Plan 2 Retirement Board met in the Washington State Investment Board conference room in Olympia, Washington on July 22, 2026. 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 Board meeting.

1. Approval of June 30, 2026 Minutes

The minutes from the June 30, 2026 meeting are presented to the Board for review and approval.

ACTION	It was moved and seconded to approve the June 30, 2026 Board meeting minutes. The Board approved the minutes without objection.

2. Actuarial Audit Results – Milliman

Ryan Falls, FSA, EA, MAAA, and Scott Peppernau, FSA, EA, MAA, with Milliman, presented the actuarial audit results to the Board. Milliman reviewed the Office of the State Actuary's work and confirmed that the June 30, 2025, valuation was reasonable. Based on Milliman's review, OSA's valuation and contribution rate calculations were accurate, appropriate, and supported by reasonable assumptions. Milliman recommended no changes to OSA's 2025 valuation or the calculated 2027–2029 biennium contribution rates.

ACTION	No action was taken by the Board.

3. Contribution Rate Adoption

Executive Director Jacob White facilitated the adoption of contribution rates for the 2027–2029 and 2029–2031 biennia. Director White noted that the Board's goal is to maintain a fully funded plan and stable contribution rates. The Board adopts contribution rates every four years, and the adopted rates may still be updated with each new rate-setting valuation.

Board Action:
Option 1: Adopt minimum rate of 9.87% for 2027 – 2029 and 2029 - 2031 biennia.
Option 2: Adopt aggregate rate of 10.47% for 2027 – 2029 and 2029 - 2031 biennia.
Option 3: Adopt "option 3 rate table", stepping into a minimum rate of 9.87% by 2032.

Estimated LEOFF 2 Contributions - 2027-29 Biennium				
($ in Millions)	**Member**	**Employer**	**State**	**Total**
Average Adopted 2027-29 Biennium Rates*	**8.73%**	**5.24%**	**3.49%**	
Estimated 2027-29 Biennium Contributions	$649	$389	$259	$1,297
2025 Valuation Calculated Aggregate Rates	**10.47%**	**6.29%**	**4.18%**	
Estimated 2027-29 Biennium Contributions	$778	$467	$311	$1,556
Change in Rates	**1.74%**	**1.05%**	**0.69%**	
Change in 2027-29 Biennium Contributions	$129	$78	$51	$258

Note: Totals may not agree due to rounding.
*Adopted rates vary by fiscal year. Average rate across both fiscal years shown for display purposes.

Fiscal Year	Member Rate	Employer Rate	State Rate
2027	8.53%	5.12%	3.41%
2028	8.80%	5.28%	3.52%
2029	9.07%	5.44%	3.63%
2030	9.33%	5.60%	3.73%
2031	9.60%	5.76%	3.84%
2032	9.87%	5.92%	3.95%

ACTION | It was moved and seconded to adopt Option 3, the "Option 3 rate table," with a step up to a minimum rate of 9.87% by 2032.

4. Salary Setting Authority

Deputy Director Karen Durant presented a salary-setting overview to the Board and reviewed background information from the April, May, and June briefings. She explained that Trupp HR's recommended market structure adjustments included an 8% increase to the salary ranges for the Executive Director and Deputy Director positions and a 2.6% increase for the Research and Policy positions. See the table below.
The Board adopted revisions to the salary-setting process. The changes align performance evaluations with the fiscal year rather than the calendar year, better positioning the agency to consider potential salary adjustments. In addition, the revised process more accurately reflects the agency's non-appropriated budget structure.

Adopted Salary Structure:

	MIN	MID	MAX	2025 – 2026 INCREASE
EXECUTIVE DIRECTOR	$163,456	$213,173	$278,013	8.0% (2% GWI; 6% Mkt)
DEPUTY DIRECTOR	$130,727	$170,490	$222,347	8.0% (2% GWI; 6% Mkt)
SENIOR RESEARCH AND POLICY MANAGER	$113,352	$147,830	$192,795	2.6% (2% GWI; 0.6% Mkt)

Next Steps:

- Board action for process changes
- Executive session to discuss performance of employees
- Possible board action for any specific salary increases

ACTION | It was moved and seconded to adopt the proposed salary structure process changes. No objections were raised.

5. Executive Session

Chair Dennis Lawson called the executive session to order at 10:05 a.m. and reconvened the public meeting at 10:35 a.m. for members of staff and the public. The executive session was held to discuss the performance of public employees.

6. 2025-2027 Operating Budget Update

Deputy Director Karen Durant presented the 2025–2027 operating budget update to the Board. The LEOFF 2 budget is allotted, not appropriated, and is funded through the LEOFF 2 Trust Fund. Required expenditures include board meetings, member and stakeholder communications, staff and Trustee professional development, and agency operations.

2025-2027 Projected Biennial Budget:

Expense Category	Budgeted for Biennium 2025-27	Projected Biennial Total	Projected Biennial Variance
Salary & Wages	$2,310,647	$2,317,202	($6,555)
Employee Benefits & Taxes	$600,629	$569,405	$31,224
State Actuary Services	$272,736	$261,377	$11,359
Rent & Utilities	$134,291	$134,165	$126
State Central Services[1]	$473,919	$461,427	$12,492
Staff & Trustee Development[2]	$396,166	$335,759	$60,407
Communications & IT[3]	$139,348	$97,458	$41,890
Contracts	$80,000	$88,813	($8,813)
Other Operating Expenses	$51,264	$42,325	$8,939
Biennium 25-27 TOTALS	**$4,459,000**	**$4,307,930**	**$151,070**

Board Action:
1. Adopt any changes to budget and direct staff to work with OFM to revise expenditure authority
2. No action

ACTION | It was moved and seconded to make no changes to the Board's current 2025–2027 budget allotments. The Board approved no changes to the 2025–2027 operating budget, and no objections were made.

7. Open Public Meetings Act Training

Kate Adams, Assistant Attorney General, provided a refresher presentation on the Open Public Meetings Act (OPMA), reviewing the applicable rules, regulations, and key compliance requirements that Trustees and staff must follow to help ensure the Board remains in compliance with OPMA.

ACTION | No action taken by the Board.

8. Public Safety Exposure Records Retention – Comp Report

Senior Research and Policy Manager Tim Valencia provided the Board with a comprehensive report on the retention of public safety exposure records. The report reviewed the issue presented previously and summarized significant research conducted since the initial presentation. It noted that evidence needed to evaluate disability, occupational disease, and survivor benefit claims may be incomplete, unavailable, or difficult to reconstruct because of inconsistent records retention practices.

Next Steps:

- Board direction will determine next steps.
  - No further action
  - Additional Research.
  - Motion for Policy Option.
    - Option 1 – Maintain Status Quo.
    - Option 2 – Comprehensive Study.
    - Option 3 – Establish Statewide Retention Standards.

ACTION	A motion was made and seconded to adopt Option 1, maintaining the status quo and continuing low-level maintenance without conducting further research. There were no objections made.

9. Admin Update

Deputy Director Karen Durant presented an administrative update, including agency developments, stakeholder outreach, and fiduciary education. She reported that the Board's accountability audit had been completed and reviewed the exit recommendations from the Office of the State Auditor (SAO). Director Jacob White will begin scheduling the annual expectation interviews with each Board member.

The Washington Council of Police and Sheriffs will hold its annual Fall Membership Meeting September 16–18, 2026.

The International Foundation of Employee Benefit Plans (IFEBP) and the National Conference on Public Employee Retirement Systems (NCPERS) will hold their annual conferences October 25–28, 2026.

ACTION	It was moved and seconded to cancel the scheduled August 19, 2026, LEOFF 2 Board meeting. The next scheduled meeting will be on September 23, 2026. Objection made by Trustee Chris Tracy.

10. Public Comment

The LEOFF 2 Board welcomes public comments in advance of all meetings and has posted instructions on its website for the submission of written comments. The Board received no public comments in advance of today's meeting.

ACTION	No action was taken by the Board.

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 23, 2026, at the Washington State Investment Board located at 2100 Evergreen Park Drive S.W. Olympia, WA 98502.