



STATE OF WASHINGTON

**BOARD FOR VOLUNTEER FIREFIGHTERS & RESERVE OFFICERS**

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October 19, 2012

The 233<sup>th</sup> regular meeting of the Board for Volunteer Firefighters and Reserve Officers was convened at 9:00 A.M. in Suite #112 in the James R. Larson Forum Building by Chair Jay Hughes, Board Member Mark Watenpugh, Board Member Milland Walling, Board Member Martin Spani, Board Member Brian VanCamp, Actuarial Analyst Lisa Wan, Actuarial Analyst Michael Harbour, Senior Investment Officer Allyson Tucker, Tamara Donovan (Mason Co. FPD #13), Claims Analyst Julie Foreman, Pension and Payroll Specialist Irene Keiffer, Trainee Marlan Cunningham, and Executive Secretary Brigitte Smith present.

The Board reviewed the July 20, 2012 Regular Meeting Minutes. It was moved by Watenpugh, seconded by Spani, and carried that the minutes be approved.

Secretary Smith asked that the Board adjust the agenda to discuss the State Investment Board Report and the Actuary's Report before "Old Business" to accommodate the guest's schedules.

FIRST HEARING OF THE PUBLIC

There were no requests to speak.

STATE INVESTMENT BOARD'S REPORT

Allyson Tucker, from the Washington State Investment Board (SIB), provided some history about the SIB and updated the Board on Fund 614, the benefit fund. She informed the Board that there was approximately a 13.3% return on the Comingled Trust Fund (CTF) Investments as of September. Since the inception of the CTF, the SIB has had an average return of 8.42%. When the CTF began in 1992, the value of the BVFF fund was \$55.4 Million. Since that time, the value of the fund has grown to \$150.3 Million. The lowest value of the fund in the last 10 years occurred at the end of 2008, and it is currently at the highest valuation ever.

Lisa Wan and Mike Harbor, from the Actuary's Office, presented the Board with the 2011 Pension and Relief Valuation. They educated the Board regarding the Pension vs. the Relief Rates. While the Pension Rate is pretty stable, the Relief Rate is more volatile. The contribution rates are all effected by liabilities, assets, funded status, future medical costs, etc. Pensions are currently funded at 100%, but the relief is still not. It will take several years to get there. In looking through the valuation, the Board noted that the Fire Insurance Premium Tax was not growing at as great of a rate as in prior years, and that membership declined slightly. Both the number of new retirees grew, as did the average annual benefit. Mr. Harbour was asked when the Actuary becomes concerned about the health of a fund. He stated that funds with less than a 70% funding ratio would be a large concern. Since we are above that level, there isn't a current concern about the health of our fund, even with funding relief benefits.

Diana Will, Lisa Wan, and Mike Harbor all left the Board meeting. The Board recessed for a small break from 10:18 through 10:27.

OLD BUSINESS

Secretary Smith discussed the WSFFA Workgroup. The group met, and Member Walling and Member VanCamp, along with Secretary Smith, attended the meeting. All fire service groups contributed representatives to the workgroup, and the initial goal of the workgroup was to develop a list of all of the possible benefit enhancements that the group could come up with and the pro's and con's of each. The list developed by the group was provided to each Board Member to review. Although there were currently 21 pages of ideas listed, Secretary Smith shared that some were more realistic than others, but the list would serve as a changing document of ideas so that constituents would know that their ideas were being recorded, addressed, and possibly prioritized at some point.



Secretary Smith informed the Board that the staff was working hard at calculating the buy-backs under the new legislation (SB 5365). These calculations could involve both buy-backs and make-up payments. Between generally educating the constituents and calculating the costs, the staff was finding that a lot of staff time was being dedicated to the buy-backs. Ms. Smith wanted the Board to be aware that the staff was slowing down in other service delivery areas while extra time was being dedicated to the buy-backs. She anticipated that the requests for buy-back information would slow down within the next couple of months.

#### NEW BUSINESS

The Board reviewed a request to grant Shelly Dressen, City of Clarkston, a Permanent Partial Disability Award (PPD) for an injury she sustained on April 29, 2005. It was moved by Spani, seconded by Watenpaugh, and carried that Firefighter Dressen be awarded a PPD Award of \$7,726.50.

The Board reviewed a request to grant David Steele, Snohomish Co. FPD #4, a Permanent Partial Disability Award (PPD) for an injury he sustained on March 27, 2004. It was moved by Watenpaugh, seconded by Spani, and carried that Firefighter Steele be awarded a PPD Award of \$18,957.21.

Secretary Smith updated the Board on the status of the Staff's management of Mr. James Ballif's case.

Secretary Smith discussed some of the difficulties that the staff was having with the departments getting in their annual report forms. She said that the staff tried to brainstorm solutions, and the staff thought that it would be helpful if the BVFF developed a calendar for secretaries and clerks that would include fire department pictures, important hints and tidbits, and deadlines and reminders. She has been looking into the price and would like to continue to do so. It would be the staff's desire to get a calendar out in time for 2014 at the latest. The Board thought it would be a good idea, and anything that could help the departments was a good idea.

The Board reviewed the 2012 Annual Survey results. The results were positive again, with ninety-two percent of the constituents rating their over-all opinion of the Board as above average to excellent. A few of the comments were:

- "Always when I call & ask for something it is in the mail or emailed to me lightning fast!"
- "Keep up the good work. You people do a great job with a small staff."
- "I have been working with the BVFF since Joe Faubion was there. They are always friendly, knowledgeable, helpful, and lightning fast with anything we need. It's nice to know that a state agency can be so user-friendly."

There was a comment that the annual reporting process was confusing because the fees are supposed to be paid ahead, and participation certified for the past. The department was also concerned about the small staff and thought it could be helpful if the BVFF were able to hire a larger staff.

The Board reviewed the results of the Actuarial Survey and determined that the 2013 fees for EMSD's and Reserve Officers should be \$120 for the pension fee (\$30 member fee + \$90 municipality fee) and \$170 for the disability fee. In addition, they reviewed the cost of claims for members over the age of 65, and found no current increased liability to insure the Retire/Rehire members. As a result, it was moved by Watenpaugh, seconded by VanCamp, and carried that there be no surcharge for Retire/Rehire members for 2013, and that the 2013 RO and EMSD Fees be set at \$120 for the pension and \$170 for the relief.

The Board discussed the meeting dates for 2013. After checking calendars, it was decided that the 2013 meeting dates be set for January 18, April 19, July 19, and October 18.

Secretary Smith discussed the purchase of new office furniture with the Board. The current office furniture is beginning to break, and there are drawers that don't close any more and are creating a trip hazard. Although buying furniture through Correctional Industries can be expensive, the quality of the furniture and the warranty are all excellent. The Board directed Secretary Smith to purchase new furniture, so long as the purchase could be covered within the current budget.

The Board took a small recess between 11:53am and 11:58am.

Secretary Smith discussed the National Benefit Summit with the Board. Prior to the Governor's Order to cease out of state travel, Secretary Smith traveled to the conference every year. The conference attendees include representatives from organizations and agencies that provide benefits to volunteer firefighters. It is an opportunity to learn what is happening in other states and learn from their successes and failures. It also helps to build a network of support from other people who perform work similar to ours. Since there is no longer a ban on out of state travel, Secretary Smith requested that she be allowed to attend the 2013 conference in College Station, Texas. The conference will take place between October 26-29 which, unfortunately, is the same time that the Commissioner's Conference will be held. Because of the conflict, this would be the first time Secretary Smith would be unable to attend the Commissioner's Conference. It was move by Walling, seconded by VanCamp, and carried that Secretary Smith be allowed to attend the conference, with the agency providing the airfare and per diem.

The Board reviewed a Pension Participation Requirement Exemption Request for Brandon Sivonen, Grays Harbor Fire District #2 for the period of July 31, 2012 through October 22, 2012. It was moved by Watenpaugh, seconded by Spani, and carried to approve the exemption request.

The Board reviewed the following service level agreements and contracts:

- Department of Enterprise Services (DES) for participation in the L&I Retrospective Rating Group
- Health Care Authority for HIPAA compliance
- State Board for Community & Technical Colleges for Don Cotey's IT expertise
- State Board for Community & Technical Colleges for Paul Royer's IT expertise
- State Board for Community & Technical Colleges for Dennis Laine's IT expertise

The Board reviewed Secretary Smith's leave and pay records.

The Board reviewed and approved (Watenpaugh moved, Spani seconded) the administrative expenditure vouchers numbered (00135 through 00195) and varlous travel vouchers.

There was a motion by Watenpaugh, seconded by Spani, and carried that the retirement pensions and lump-sum settlements listed below be approved effective on the listed dates:

		<u>Effective</u> <u>Date</u>		<u>Amount</u>
Absher, Barbara J.	Grays Harbor #2	4/28/12	SURV	149.48
Adams, Larry D.	Clallam #1	7/30/12		300.00
Ahrens, Jim A.	Whatcom #4	10/24/12		300.00
Allison, Robert G.	Grant #4	1/1/12		202.50
Bago, Kenneth	Thurston #8	9/18/09		84.00
Bailey, Ronald L.	Whatcom #7	9/12/12		300.00
Barney, Scott E.	Oak Harbor FD	6/5/12	J/S	186.50 @ age 62
Bellcoff, Roger	Clark #3	6/29/12		240.00
Brockmeyer, Alan M.	Mercer Island	8/21/12		84.00
Christensen, Van L.	Woodinville	7/14/12		4,331.53 Lump
Cody, Dean	Thurston #3	8/13/12		5,586.03 Lump
Cooley, Ernest	Selah	6/24/12	J/S	250.50
Cooper, Douglas V.	Spokane #9	10/6/12	J/S	248.70
Crabb, Steve	Mason #2	6/14/11		6,144.64 Lump
Davis, Harold	Clark #1	7/12/12		142.50 @ age 62
Demeyer, Douglas	Whatcom #7	1/15/12		58.52 @ age 62
Ellingsen, Richard P.	Whatcom #7	4/10/12		73.50
Fant, Steven W.	Enumclaw	11/8/11	J/S	148.14
Gleckler, Richard A.	Thurston #7	7/11/12	J/S	246.90
Gyory, Steve	Chelan #6	5/23/11		5,908.69 Lump
Hamilton, Linda J.	Vashon Island	2/28/12		172.50

Harvester, Thomas R.	Elma	6/9/12		87.50
Herbst, Edmund J.	Spokane #9	9/25/11	J/S	56.49
Hoffman, Steven R.	Clark #5	7/31/12		53.20 @ age 62
Hutchins, Glenna I.	Cowlitz-Skamanian #7	12/26/10	SURV	3,252.28 Lump
Johnson, Kenneth	Snohomish #21	6/5/12		300.00
King, Lois	Clallam #3	6/26/12		3,368.97 Lump
Klingbell, Randy	Stevens #4	10/18/12	J/S	245.40
Kubicek, John A.	Poulsbo	11/4/11		3,850.25 Lump
Boucree-Lewis, Gwen	Ephrata	5/18/12	SURV	720.00 Lump
Lockwood, Joanne	Grant #12	6/30/12		2,321.27 Lump
Lockwood, William	Grant #12	6/30/12		1,973.88 Lump
Loomis, John	Grant #3	5/14/12		3,368.97 Lump
Manning, Raymond D.	Klickitat #6	8/9/12	J/S	142.38
Manuel, Cody S.	Central Kitsap	8/8/12	J/S	111.02
Markley, Gary L.	Snohomish #5	6/19/12		276.00 @ age 64
Messner, Paul	Central Whidbey	6/26/12		127.50
Myhre, Mark G.	Lewis #1	12/4/11		129.20 @ age 61
Meyer, John J.	Ferry/Okanogan #14	7/28/12	J/S	120.15
Norris, Joanne	Mason #13	8/12/12		300.00
Olin, Donald W.	Chelan #8	6/1/12		180.00
Pannkuk, Richard A.	Thurston #1	7/7/12		300.00
Pfeiffer, Ted	Snohomish #21	4/18/12	J/S	189.12
Pool, Robert A. F.	Spokane #13	6/18/12		195.00
Quien, John	Grays Harbor #2	9/5/12		300.00
Reese, Spurgeon	Yakima #7	9/4/12		300.00
Roberts, Richard C.	Okanogan #6	8/11/10		200.00
Robinett, Martin G.	North Whidbey	7/11/12		202.50
Rogers, Roy	Chewelah	8/9/12	J/S	243.60
Rogers, Wallace E.	Skagit #9	8/15/12	J/S	243.60
Sassman, Roy D.	Stevens #4	7/1/12		300.00
Savoy, Janet	East County	7/1/12		4,090.89 Lump
Segaar, Dave	Lynden	9/6/12		5,586.03 Lump
Shapansky, Joe	Cosmopolis	9/1/12	J/S	250.50
Short, N. Lee	Jefferson #1	8/1/12	J/S	248.70
Slater, Rush L.	Walla Walla #6	7/20/12	J/S	245.40
Speers, Richard W.	Whatcom #13	8/25/12		153.90 @ age 62
Stineback, Gerald L.	Clark #1	5/13/12		66.50
Timmreck, Ken	lone	8/19/12		180.00 @ age 60
Tuter, Mickey L.	Spokane #9	9/19/12		300.00
Umberger, Robert D.	Doug Okanogan #15	8/15/12		151.80 @ age 64
VanBeurden, Eric	King #47	9/2/12		153.90 @ age 62
Vanderkooi, Marlin C.	Lynden PD	6/24/12		53.20 @ age 62
Wall, Lynne L.	Douglas #5	6/11/12	SURV	226.19
Walter, Dorothy M.	Klickitat #7	7/6/12		151.20 @ age 63
Webber, Karen	Ferry Co #1	3/20/12		73.50
Williams, Dan E.	Whatcom #7	8/16/12		300.00
Wright, Susan M.	Klickitat #2	5/13/12	SURV	123.99
Wright, Walter D.	Cathlamet	4/30/12		300.00
Zender, Douglas D.	Whatcom #14	2/8/12	J/S	191.75 @ age 62

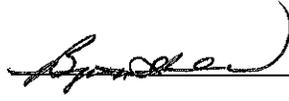
The Board went into executive session for about 15 minutes to discuss litigation at 12:15 pm.

The Board reconvened at 12:34.

## SECOND HEARING OF THE PUBLIC

No one present wished to speak.

There was a motion by Spani, seconded by Watenpaugh, and carried that the meeting be adjourned at 12:35 p.m.



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Brigette K. Smith, Executive Secretary