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BOARD FOR VOLUNTEER FIREFIGHTERS & RESERVE OFFICERS
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The 221st regular meeting of the Board for Volunteer Firefighters and Reserve Officers was convened at 9:00 A.M. in Suite #207 in the James R. Larson Forum Building by Chair Ken Boad, with Board Member Jay Hughes, Board Member Mark Watenpaugh, Board Member Martin Spani, Board Member Miland Walling, Diana Will from the State Investment Board, Deputy Director Marcie Frost from the Department of Retirement Systems, Executive Secretary Brigette Smith, and Confidential Secretary Tracy Thornburg present.

The Board reviewed the October 16, 2009, the November 20 Special Meeting Minutes, and the November 20 Table WAC Hearing Minutes. It was moved by Watenpaugh, seconded by Hughes and carried that the minutes be approved.

The agenda was reviewed.

FIRST HEARING OF THE PUBLIC

Marcie Frost, the Deputy Director of the Department of Retirement Systems (DRS) spoke with the Board regarding the Governor's proposal to merge the BVFF with DRS. She started out by thanking Secretary Smith for reaching out to DRS when the proposal was first made public so that the two agencies could begin working together to ensure a smooth transition. Ms. Frost said that DRS had 241 FTE positions, 230 of which were filled. Should the merger occur, it is planned that the BVFF staff would be absorbed into DRS positions. BVFF money would remain separate from the other DRS funds. Since DRS has never handled a worker's compensation system before, the staff would be very valuable. Ms. Frost said that there would be no immediate savings from merging the two agencies, but that there was a potential for future savings in the IT department (since they have 50 IT professionals on staff), or through using their retirement payment system rather than HRMS.

The Board asked Ms. Frost if, by moving the BVFF participating members, there would be a conflict with allowing them to participate in more than one retirement system at a time. Ms. Frost said that she would talk with Dave Nelson, who is their Legal and Legislative Services Manager, but that it was not their intent to prohibit that. The Board also asked about the WAC's that the Board has. Would they be transferred as well? Ms. Frost suggested that they may need to become RCW's. Finally, it was asked if there were any other state retirement systems that were currently out of DRS's purview. Ms. Frost informed the Board that the 1st Class cities have their own retirement systems.

Secretary Smith stated that she appreciated how open and forthcoming Ms. Frost had been throughout the talks regarding the merger of the two agencies. She believed that the two agencies could work well together to make a merger work well for the firefighters, EMT's, and reserve officers.

Ms. Frost left the meeting at 9:35 am.

OLD BUSINESS

Diana Will, Senior Investment Officer with the State Investment Board (SIB), talked with the Board about the State Investment Board and how it works. It was created in 1981 to manage the state's assets and currently invests money for 39 funds. They manage a total of \$70.5 billion dollars, the majority of which are retirement funds. The BVFF funds account for only .2% of the assets they manage. Ms. Will walked the Board through the different asset classes that they invest in, the allocation of the assets, and the past performance of the assets. She also talked a little bit about the current economy and the recession. The Board also discussed the recent transfer of BVFF cash assets to the investment pool with Ms. Will. After answering a few questions for the Board, she stated that she would be happy to come and speak with the Board once a year to update them.

Ms. Will left the meeting at 10:00 am.

Secretary Smith confirmed that the cash transfer to the SIB did take place on December 1st, 2009, as stated by Ms. Will in her presentation.

Ms. Smith informed the Board that the Administrative Volunteer Survey had been completed. The Board discussed whether it should encourage members to take the survey in light of the Governor's proposal to merge the BVFF with DRS. It was decided that we should go ahead and publish the survey so that we could continue work on the legislation to have it ready whether the merger happens or not. AAG Kyle Crews said that he was already reviewing the drafted legislation to see if everything looked okay from a legal standpoint.

Secretary Smith updated the Board on the status of the Database Update. She said that the database is still coming along, and that it is being used in the office. However, the more the staff works with it, the more anomalies they find. As they are found, the developer is trying to fix them. It is her hope that the staff will only need to do dual entry into both database systems for another month or so. The system will be in development until May, but by May it has to be completed and ready for release to the departments. If not, the contract with the current developer will be terminated.

The Board reviewed a request for additional service for the years 1986 and 1987 for Dave Leonard, Chelan Co. FPD #9, and the submission of the remittance forms for those years from the fire district. After review of all of the documentation in the case, it was moved by Hughes, seconded by Spani, and carried that Mr. Leonard be granted service credit from September 5, 1987. Secretary Smith was directed to bill the district for the disability fee for 1987 plus the statutory interest. In addition, she was directed to contact the department and let them know that they should contact any other members listed on those two remittance forms and inform them that they are encouraged to submit documentary evidence for the Board's review so that they may also have an opportunity to gain additional service credit.

A short recess was taken from 10:55 until 11:00.

NEW BUSINESS

The Board reviewed a request for a permanent partial disability award settlement for Michael Dorothy, Lewis County FPD #2, for an injury sustained on August 4, 2008. The Board reviewed all of the documentation and reports and noted that the Objective Medical Associates' physician stated that Mr. Dorothy's condition seemed to be self correcting. As a result, it was moved by Spani, seconded by Hughes, and carried, that Mr. Dorothy not be granted a PPD award based on the physician's findings.

The Board discussed the Governor's proposal to merge the BVFF with the Department of Retirement Systems. Secretary Smith informed the Board that she and Chair Board were going to meet with the DRS Legal and Legislative Services Manager in the afternoon because the Governor's Office was giving the BVFF and DRS the opportunity to draft and submit recommendations for the bill. After much discussion, the Board thought it would be best for the constituents if the Board could remain in tact as it was, but "cohabitate" with DIS and contract with them to provide some services such as IT. If that was not going to work, the Board expressed a desire to function much like the LEOFF 2 Board, but maintain the appeal authority. Secretary Smith and Chair Board said they would try to draft the bill language to look like one of those two scenarios, and Chair Board would call the rest of the members to let them know how the meeting went.

The Board reviewed the following contract extension entered into by Secretary Smith with Brewer Consulting to develop the new database.

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

The Board reviewed and approved (Hughes moved, Spani seconded) the administrative expenditure vouchers numbered (2053-2080) and various travel vouchers.

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

		<u>Date</u>	<u>Effective Amount</u>
Beavers, Diane P.	Franklin #3	11/1/09 J/S	62.99
Behner, Wayne	Snohomish #25	9/18/09 J/S	261.00
Benning, Dennis D.	Island #3	4/17/09	2,640.47 Lump
Bishop, Verle E.	Grays Harbor #10	9/11/09	80.50
Camp, Morris	Whitman #8	5/18/09	300.00
Coleman, Richard L.	Kitsap #7	11/26/08	56.00
Curtis, Melvin H.	Klickitat #12	10/27/09	4,848.54 Lump
Demme, Thomas	Thurston #3	8/24/09	3,960.70 Lump
Feusner, Fran (John)	Selah	9/18/09 SURV	5,818.34 Lump
Fisher, James A.	Lincoln #7	10/1/09 J/S	145.62 @ age 60
Harder, Eric	Franklin #2	6/05/09 J/S	1,340.22 Lump
Junka, Bob	Pierce #6	9/23/09	2,484.01 Lump
Kiser, Jr., Woodroe W.	Lewis #16	11/21/09	300.00
Lalish, Gregory	Jefferson #1	5/22/09 J/S	97.88 @ age 60
Lalish, Paula	Jefferson #1	1/01/09	2,175.70 Lump
Martin, Dan H.	Walla Walla #5	10/8/09	77.00
Meyer, Clifford	Stevens #1	10/8/09 J/S	217.36
Montgomery, Bill	Pierce #5	12/9/09	3,300.58 Lump
Nydegger, Alfred W.	Jefferson #4	9/08/09	187.50
Olson, Michael N.	Snohomish #20	11/19/09	3,016.30 Lump
Patton, Joseph L.	Pierce Co. Sheriff	9/01/09	195.00
Ramsey, John	Long Beach	1/08/10	130.50 @ age 60
Schnebly, Doug	Pacific #1	4/11/09	58.52 @ age 62
Schnebly, Janet S.	Pacific #1	9/16/09	5,468.87 Lump
Schoen, Richard	Millwood	10/31/09	230.00
Schulke, James A.	Walla Walla #8	10/9/09	260.00
Smith, Douglas C.	Franklin #4	10/30/09 J/S	126.60
Stewart, Gary T.	Skagit #3	8/10/09	300.00
Veal, Glen A.	Skagit #17	9/14/09 J/S	145.59
Wickersham, James	Yakima #6	4/15/09	190.00 @ age 62
Wildman, Carol H.	Columbia #1	1/01/10	202.50
Wildman, Floyd W.	Columbia #1	1/01/10	202.50
Wiley, Clifford D.	Wahkiakum #3	7/11/09	180.00
Wirrkala, Gary A.	Ilwaco	9/21/09 J/S	196.54 @ age 62

SECOND HEARING OF THE PUBLIC

No public was present to speak.

There was a motion by Hughes, seconded by Watenpaugh, and carried that the meeting be adjourned at 11:50 a.m.

Brigette K. Smith, Executive Secretary