

Pension Funding Council

DATE: July 25, 2012 **TIME:** 1:30 p.m. **LOCATION:** House Hearing Room B

The meeting was called to order at 1:36 p.m. by Chair Steve Hill, Executive Director, Department of Retirement Systems. Roll was called for the record.

Members present: Steve Hill, Executive Director, Department of Retirement Systems; Marty Brown, Director, Office of Financial Management; Representative Ross Hunter; Representative Gary Alexander; and Senator Dino Rossi.

Member present by conference call: Senator Ed Murray. **Members absent:** None.

WORK SESSION:

David Pringle, Staff: Review of the Pension Funding Council's tasks and work process. The pension funding contribution rates recommendation from the Select Committee on Pension Policy was forwarded to the Pension Funding Council on July 23. In even numbered years the Council shall adopt or make changes to the contribution rates for the state retirement systems no later than July 31.

Matt Smith, State Actuary: Review of proposed contribution rates by the State Actuary. Review of the results of the latest actuarial evaluation as of June 30, 2011. Review the performance of state retirement plans. Review of the two rate contribution options before the Council today.

Bill Hallmark, Ken Kent, and Anne Harper, Cheiron: Presentation of the final audit report. PowerPoint presentation, "State of Washington Pension Funding Council 2011 Actuarial Valuation Audit."

EXECUTIVE SESSION:

Steve Hill, Chair, reminds members that the Select Committee on Pension Policy has recommended that the Pension Funding Council adopt Motion B.

Representative Hunter moves that the Pension Funding Council adopt the contribution rates in Motion B. Representative Alexander seconds the motion. Chair Hill calls for the vote. All six members vote to adopt Motion B (below).

Moved that the Pension Funding Council adopt the following changes to the contribution rates for the state retirement plans under the purview of the Council, subject to revision by the Legislature:

Motion B

The following pension contribution rates recommended by the State Actuary to the Pension Funding Council on June 25, 2012, take effect on the dates indicated:

<u>Percent of Member Pay</u>	<u>Employer</u>	<u>Plan 2 Member</u>
<i>Effective July 1, 2013</i>		
Public Employees' Retirement System	9.03	4.92
Law Enforcement Officers' and Firefighter Retirement System Plan 1	0.00	0.00
Washington State Patrol Retirement System	7.91	6.59
Public Safety Employees' Retirement System	10.36	6.36
<i>Effective September 1, 2013</i>		
Teachers' Retirement System	10.21	4.96
School Employees' Retirement System	9.64	4.64

The above rates do not include the Department of Retirement Systems administrative fee.

The motion form was circulated for signature by the five members at the meeting. Senator Murray voted to adopt Motion B by telephone.

The meeting was adjourned at 1:55 p.m.

Minutes submitted by Lisa McCollum, staff to the committee.

AN AUDIO RECORDING OF THE MEETING IS AVAILABLE WITH THE COMMITTEE