

Employer Advisory Committee Meeting Minutes-
August 15, 2013

DRS Staff Members Present:

Mike Ricchio, Chairperson
Alex Kasuske, RSD Team Leader
Amanda Persell, Administrative Assistant
Ana Maria Malaier, Financial Reporting
Cathy Cale, Fiscal Manager
Dave Nelsen, Legal/Legislative Services Manager
David Brine, Communications Director
Debbie Callar, Employer Support Services
Dina Morrow, RSD Team Leader
Eleanor Conway, Employer Support Services
Jamie Carl, Employer Support Services
Jennifer Dahl, RSD Assistant Director
Kareen Morlan, Accounts Receivable
Karla Phillips, Management Analyst
Kim Smith, Employer Support Services Manager
Kym Nelsen, Employer Support Services
Lanette Barton, RSD Team Leader
Melanie Piccin, Employer Support Services
Monette Jenney, Trust Accounting Manager
Rachel Jo Nesse, Project Manager
Rose Bossio, Project Manager
Sharon Houseman, Accounts Receivable Manager
Steve Lyle, Employer Audit
Sue Gordon, Web & Client Services Manager
Vickie Worgum, RSD Team Leader

Employer Members Present:

Bruce Yeatts, King County
Cindy Harris, Department of Enterprise Services
Gail Davila, City of Bellevue
Kimberly Fleming, King County
Sheryl Gordon, Green River Community College
Tiffany Hicks, King County

Employer Members Present via Conference Call:

Chandra Winston, Port of Seattle
Heather Mam, Pierce County
Loni Shorten, Port of Tacoma
Terry Schaefer, WSIPC

Welcome

Chairman Ricchio welcomed everyone to the meeting, thanked them for attending, and took roll call.

Legal/Legislative Update – Dave Nelsen

Dave Nelsen, Legal/Legislative Services Manager, gave an update on what's happening in the Legislature. Two bills passed the legislature this year; LEOFF2 Medical Reimbursement and one addressing the retirement age for District Court judges.

The Select Committee will be looking at several issues during the 2013 interim session. First, they will be making recommendations to the Pension Funding Council about the economic assumptions used by the Actuary to value and fund the pension systems. They will also be looking at the issue of contribution rate flexibility for Plan 3 members. DRS submitted the plans to the IRS for qualification in 2009 and the IRS stated that they would not qualify Plan 3 unless the rate flexibility currently offered to TRS Plan 3 members is removed. DRS has requested the Select Committee to recommend the necessary changes to Plan 3 to remain a qualified plan for legislation in the 2014 session.

The LEOFF2 Board is looking at modifying the Career Change Bill. This bill allows LEOFF2 retirees to return to work in a covered position by a Plan other than LEOFF and have the choice to opt into the other system or out and still receive a pension. One of the possible directions to modify the legislation is to limit the choice only to positions that are clearly not related to LEOFF employment.

Mr. Nelsen also gave an update on the COLA and Gainsharing lawsuits. The State's action in both cases was essentially overturned at the Superior Court level. The lawsuits are scheduled to be heard by the Supreme Court on October 24th. DRS is working with the attorneys to provide clarity about when "legal certainty" might be reached. This will provide some direction to members who are eligible to retire under the new early retirement factors, but would like to work as long as possible before the Court may remove the option. This may be communicated at the end of August on the DRS website. Click [here](#) to see any updates. As for the Supreme Court hearing, TVW usually records hearings, or does live broadcasts. Also, if there is room, the public may be admitted into the hearing.

Please contact [Dave Nelsen](#) with any questions.

Employer Reporting Application Update – Sue Gordon/Rose Bossio/Rachel Jo Nesse

Sue Gordon, Rose Bossio and Rachel Jo Nesse gave an update on the Employer Reporting Application (ERA) project. Technical Project Manager, Sue Gordon, serves as the ERA Build Technical Team Manager and is responsible for the technology procurement. Rose Bossio, Project Manager, has completed the Employer Information System/BPM phase and Rachel Jo Nesse, Organizational Change and Communications Manager, is responsible for employer engagement and project communications. Both Rose and Rachel are serving on the ERA Build Project Team. Click [here](#) to see their presentation.

Chairman Ricchio stated that the project will require a subcommittee of employers for input. He stated that he would like some volunteers from the EAC group. If you would like to volunteer, please contact [Mike Ricchio](#).

MRV Update – Jennifer Dahl

Jennifer Dahl, Assistant Director for the Retirement Services Division (RSD), gave an update on the process improvements being made in RSD. Click [here](#) to see her presentation regarding work being done with respect to Member Verifications (MRV). Chairman Ricchio stated that MRV information will be used, together with other information, to establish a baseline for determining what types of documentation to include in the Employer Imaging Project. He also hopes to start seeing better scores on the employer interviews as a result of process improvements to the MRV process.

Please contact [Jennifer Dahl](#) with any questions.

GASB Overview – Cathy Cale

Cathy Cale, Fiscal Manager, gave an overview of the Governmental Accounting Standards Board (GASB). Click [here](#) to see the presentation.

Please contact [Cathy Cale](#) with any questions.

Open Discussion

The Department of Retirement Systems recently sent out a request for information on independent contractors working for LEOFF eligible employers. The Department is looking for copies of those contracts and asked that they be submitted by July 31. Only half of the employers contacted submitted feedback by the due date. The Department will be reviewing the contracts to determine if there are any pension concerns with any of those contracts. Chairman Ricchio stated that there will be a third request going out soon for this same information. If a larger employer is having difficulty getting the information together by the due dates, they should contact [Kim Smith](#). She may be able to work with the employer to streamline and focus the search.

Kimberly Fleming, King County, inquired as to a general email address to send information that is requested from the Department. DRS' goal is to create a defined contact list for employers. Until then, if it is an RSD issue that isn't MRV, please send it directly to the team leaders or contact the Employer Support Services unit and they will route the information to the proper person within DRS.

Closing

Next meeting will be November 14, 2013 at the Department of Retirement Systems.