

Employer Advisory Committee Meeting Minutes
May 8, 2014

DRS Team Members Present:

Mike Ricchio, Chairperson
Amanda Persell, Administrative Assistant
Christine Gee, Management Analyst
Dave Nelsen, Legal/Legislative Services Manager
Debbie Callar, Employer Support Services
Eleanor Conway, Employer Support Services
Jamie Carl, Employer Support Services
Jim Mendoza, Education and Outreach Representative
Jodi Yungdahl, RSD Team Leader
Kareen Morlan, Accounts Receivable
Kim Smith, Employer Support Services Manager
Kym Nelsen, Employer Support Services
Margaret Conley, Management Analyst
Renee Laughlin, Retirement Specialist
Seth Miller, Employer Support Services
Sharon Houseman, Accounts Receivable Manager
Zan Johnston, Workload Planning Manager

Employer Members Present:

Kimberly Fleming, King County
Sheryl Gordon, Green River Community College
Paul Neal, LEOFF 2 Board

Employer Members Present via Conference Call:

Angie Gill, Washington State Patrol
Barbara Cox, Port of Tacoma
Chandra Winston, Port of Seattle
Claudia Kay, Port of Seattle
Gail Davila, City of Bellevue
Katy Dwyer, University of Washington
Lana Elder, Port of Seattle
Loni Shorten, Port of Tacoma
Maureen Kwant, WSIPC
Nicole Dobson, Dept. of Enterprise Services
Sara Bryant, Dept. of Enterprise Services
Tess Ylescupidiez, Pierce County

Welcome

Chairman Ricchio welcomed everyone to the meeting and thanked them for attending.

Legal/Legislative Update – Dave Nelsen

Dave Nelsen, Legal/Legislative Services Manager, gave an update on what's happening in the Legislature. Click [here](#) to see the Legislative Summary.

Gail Davila of the City of Bellevue asked the following questions of SB 6201 - Creating an Optional Life Annuity Benefit for LEOFF Plan 2 Members:

Will plan 2 members still have the option to purchase service credit, like an annuity?
Yes.

If they participate in a plan such as a 457 Def comp or a 401K, can they use those funds to purchase the service credit?
Yes, any tax qualified governmental plans can be used to purchase the service credit.

Is this through a particular insurance company?
No. One of the benefits of doing this is that it's not through an insurance company. The annuity is being purchased through the LEOFF Plan 2 Pension Trust Fund. The provisions of that annuity are using the same assumptions that the trust fund itself does.

How will this information be communicated to the LEOFF Plan 2 members? Will it be included on their online retirement application instructions?
Yes, there is a project team working on communication of this through the retirement application as well as other communication.

When will this go into effect?
June retirees will have this option.

Bills that didn't pass:

HB 2007/SB 5633 – Modifying PERS Retiree Return to Work Requirements

This bill, in its' original form, applies the Retiree Return to Work restrictions to PERS retirees who have been employed in ineligible positions and immediately suspends the pensions of PERS Plan 2/3 retirees who return to work in a TRS or SERS eligible position. The Department had delayed implementing this bill in hopes that the Legislature would correct this bill. Since the correction bill didn't pass this session, DRS is currently looking at the system requirements and what this implementation would mean internally. The Department will then follow up with communication as to what it would mean for Employers, including requiring employers to report the PERS retiree's hours to DRS. Tentatively, the implementation date is being targeted toward late summer of 2015.

HB 2479/SB 6397 – Placing Restrictions on LEOFF Retirees in Certain Public Pensions

This bill would restrict the ability of a LEOFF Plan 2 retiree from continuing to receive their pension while employed in a position that performs primarily LEOFF duties but is not LEOFF eligible. An example of this type of position would be a less than full-time police officer or fire fighter, making them eligible for PERS. This means that they still get their LEOFF pension and receive a salary at the same time because of the provisions of the Career Change bill. The LEOFF 2 Board introduced this bill restricting some of the provisions in the original Career Change bill because the Board felt that the Career Change bill was for people who were changing their career, not for people who move into a position that just happened to not qualify for LEOFF, even though it's completely police or fire related. For those employers who are hiring into LEOFF type positions that

are PERS eligible, DRS is likely going to begin requiring signed timesheets. These will have to be signed by both the individual and the employer representative and submitted at least monthly. These will be saved for audit purposes so that the Department can ensure that the positions and the hours worked are accurately being represented and that there aren't any issues with the trust fund paying out pensions that shouldn't be paid out. There will be more information coming in the future.

Legal Update:

The Supreme Court has not made any decisions on the UCOLA or GainSharing cases. DRS is preparing in anticipation of the decisions. There will be communication going out to Employers once there is legal certainty.

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

Furlough Process Update – Seth Miller

Seth Miller, Employer Support Services, gave an update on the furlough process. Click [here](#) to see Seth's presentation.

To learn more or for assistance with furlough information, please contact [Employer Support Services](#).

Employer Contacts Project – Margaret Conley & Christine Gee

Margaret Conley and Christine Gee, DRS Management Analysts, introduced the Employer Contacts Project. Click [here](#) to see their presentation.

The number of contacts an employer receives from DRS can be overwhelming at times. Historically, individual RSAs who were working with a member, would contact the member's employer for verifications of employment, verifications of earnings or member reporting verification. The employer would then respond back to each RSA that ever contacted them. There was some frustration voiced over this process. Then, the process was revised so that Retirement Services sent all requests through one inbox. This meant that the RSA would send the request to an Office Assistant, the Office Assistant would log the request into a spreadsheet and forward the request to the employer. The employer would respond to the Office Assistant who would log the response into their spreadsheet and forward it back to the RSA. If an employer didn't respond directly to the email, but rather called with the information, it was never logged, causing multiple requests to be sent. The project team is working on a solution to this communication disconnect. One of the possibilities is using eServices as a point of contact instead of email. From the research completed, it seems it would be easy to create a portal for RSAs to enter information into and employers would find the information in their accounts.

Kimberly Fleming of King County voiced concerns that with this new process, there may be added workload for the employers. King County is so large, with so many departments, that each request may require that an email be created once received and forwarded onto the intended department as only a small number of people in the county have access to eServices. This and any further feedback will be recorded and taken back to the project team as this project gets underway.

Please send any suggestions, feedback or questions to [Employer Support Services](#) or to [Christine Gee](#).

OASI – Eleanor Conway

Eleanor Conway, Employer Support Services, explained Old Age and Survivor's Insurance (OASI). Click [here](#) to see Eleanor's presentation.

Open Discussion

In the past, the group has discussed venturing out to other venues. Chairman Ricchio asked that if any of the group members would like to host one of the EAC meetings, that they contact him directly.

Closing

Next meeting will be August 14, 2014 at the Department of Retirement Systems.