




Office of the State Actuary

"Securing tomorrow's pensions today."

June 16, 2009

TO: Executive Committee Members

FROM: Matthew M. Smith, EA, FCA, MAAA, State Actuary 

RE: OFFICE OF THE STATE ACTUARY (OSA) UPDATE FOR 2009 INTERIM PLANNING

Below please find a summarized list of major projects before the OSA during the 2009 Interim. I wanted to make you aware of the work ahead of the OSA before you finalize your interim work plans. OSA faces significant resource challenges this interim and I would appreciate your support in conserving and prioritizing the Select Committee on Pension Policy's (SCPP) use of actuarial resources during this time.

LEOFF 1 Medical Study

The Legislature provided funding for the on-going study of LEOFF 1 Post-Retirement Medical Benefits.

Disability Benefits Study

The Legislature mandated the OSA to contract with the Washington State Institute for Public Policy for the study of disability benefits in the Plans 2/3 of PERS, TRS, and SERS. The institute shall report its findings to the SCPP by November 1, 2009.

Other Post Employment Benefits (OPEB) Valuation for University of Washington (UW) Medical Center

OSA may enter into an Inter Agency Agreement with UW Medical Center for ongoing actuarial services to assist the UW Medical Center and Harborview Medical Center with their OPEB financial reporting.



Guaranteed Education Tuition (GET) Program Study

The Legislature appropriated \$175,000 to the OSA during fiscal year 2010 to conduct an independent assessment of the long-term financial solvency of the GET program. The OSA shall report findings, an assessment of the major alternatives, and suggested actions to the Governor and relevant committees of the Legislature by November 15, 2009.

Economic Experience Study

By September 1, 2009, the State Actuary will study and make recommendations to the SCPP and Pension Funding Council concerning the long-term economic assumptions used for the financing of state retirement benefits.

2008 Actuarial Valuation Report (AVR)

A determination of the actuarial assets, liabilities, funded status, and contribution rates at the valuation date of, June 30, 2008. According to current state law, this “off-cycle” AVR is not used to adjust contribution rates.

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