

**LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS'  
PLAN 2 RETIREMENT BOARD**

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**“Dual Response” Membership Survey Report  
April 27, 2005**

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# 1. About This Survey

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## *Method*

A mail survey was included in the Winter 2005 edition of the LEOFF Plan 2 Retirement Board newsletter *Dual Response*. The newsletter, and hence the survey, was sent to 15,243 individuals or organizations including members (14,560), retirees (367), and employers (367). Responses to the survey were expected only from the members and retirees. The survey was located on the lower third of page three in the newsletter and required respondents to complete the survey, cut or tear out the survey, and return the survey to the LEOFF Plan 2 Retirement Board. Postage-paid return envelopes were not included with the survey.

## *Study Objectives*

This survey had two prime study objectives.

The first study objective was to test the methodology of conducting surveys by mail, and specifically through the newsletter. A test of this nature is a common process through which the effectiveness of a survey or delivery mechanism can be evaluated. In particular, it can help the surveyor to evaluate the interest or attention level of the topic and to gauge responsiveness of the population.

At the time of writing this report, there were a total of 313 responses to the survey, which represents only a 2.1% response rate to the survey. The low response rate to the survey indicates that either this test methodology is not effective for this population, or the methodology needs to be modified or enhanced to improve effectiveness.

A response rate of 2.1% may not provide an accurate measure of the characteristics of the entire population. Seeking something more reliable, a survey with a 95% confidence level and a confidence interval of 3% would necessitate a response rate of at least 6.6%. This means that at least 996 responses would be required.

There are several different modifications that can be applied to mail surveys in order to increase response rates. The most common methodologies that are used are respondent pre-notification, follow-up contact to non respondents, and use of return incentives such as pre-paid return envelopes. Studies on the effectiveness of each of these methods are vast and profess varying results. As such, the effectiveness of any one or combination of these methods for increasing responses to future LEOFF Plan 2 Retirement Board surveys can not be readily predicted. Only through trial and error can it be determined if the methods will help achieve the desired response rate.

The second study objective was to develop a baseline reading of the membership's familiarity with benefits provided by LEOFF Plan 2. Having a baseline of general familiarity will allow the Board to measure, in future surveys, if there has been an increase in familiarity with benefits based on Board activities.

Section four provides details on the familiarity of respondents with their benefits. To gauge familiarity, respondents were asked to rate their own level of familiarity. The respondent population declared an average familiarity of 2.9, which essentially was the middle of the scale between not familiar and very familiar with benefits. This rating was then examined for possible influences on a respondent's familiarity level, including type of employment, age, and use of retirement planning materials.

The type of employment did not appear to have a significant influence on familiarity of benefits, although fire fighter respondents did report a slightly higher familiarity with benefits. The average familiarity for fire fighter respondents was 3.1. The average familiarity for law enforcement respondents was 2.8.

Age did appear to have an influence on familiarity with benefits. On average, respondents in the two youngest age groups reported familiarity levels of 2.4 and 2.8. Respondents in the two oldest age groups reported familiarity levels of 3.0 and 3.5.

Lastly, the use of retirement planning materials available did appear to have an influence on familiarity with benefits. Respondents who had reviewed a copy of the LEOFF Plan 2 Member Handbook, had attended a retirement planning seminar, or who has requested an estimate of benefits or used the online retirement benefit estimator were thirteen times more likely to rate their familiarity with benefits higher than respondents who had not used any of these materials.

## **2. Profile of Respondents**

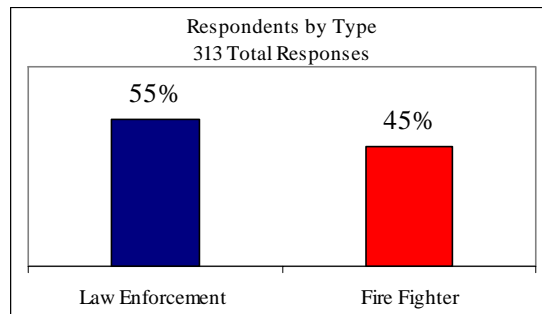
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- *Are you a law enforcement officer or fire fighter?*
- *How many years have you been law enforcement officer or fire fighter in the state of Washington?*
- *What is your age group?*

## ***Are you a Law Enforcement Officer or Fire Fighter?***

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The respondents to the survey were split relatively equal between law enforcement and fire fighters. A total of 172 law enforcement officers responded to the survey representing 55% of the total respondents. A total of 141 fire fighters responded to the survey representing 45% of the total respondents.

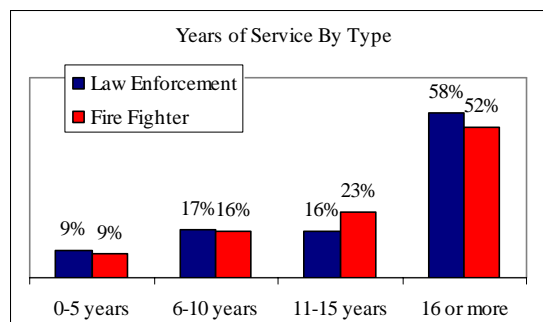
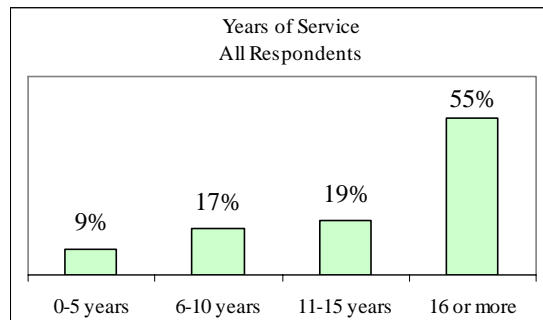


## ***How many years have you been a fire fighter or a law enforcement officer in Washington?***

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As reported in *The Office of the State Actuary's 2003 LEOFF 2 Actuarial Valuation Report*, the average years of member service is 10.7 years. The typical survey respondent had more years of service.

Out of the total respondents, 55% were experienced law enforcement officers and fire fighters having served 16 or more years of service. About 9% of the total respondents had 0 to 5 years of. Respondents with 6 to 10 years of service and 11 to 15 years of service had 17% and 19% of the responses, respectively. When the years of service are examined by type of employment, the response rate pattern for law enforcement officers and fire fighters each remain in line with total respondents.

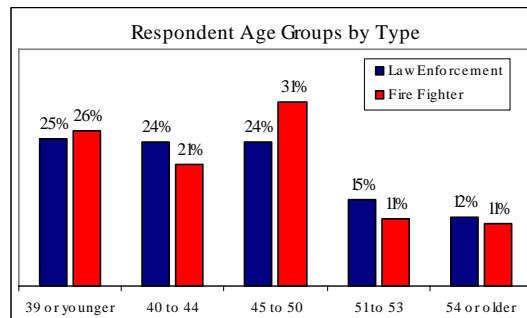
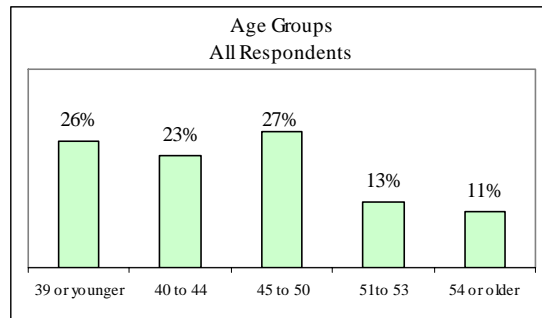


## What is your age group?

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As reported in *The Office of the State Actuary's 2003 LEOFF 2 Actuarial Valuation Report*, the average member age was 39.5 years.

Almost half of the total respondents were age 44 or younger. Just over one quarter of the respondents are ages 45 to 50. The remaining one-quarter of the respondents are 51 or older. Again, when the years of service are examined by type of employment, the response rate pattern for law enforcement officers and fire fighters each remain in line with total respondents.



### **3. Retirement Planning**

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- *Have you reviewed a copy of the LEOFF Plan 2 Member Handbook?*
- *Have you provided your beneficiary information to DRS?*
- *Have you attended a DRS retirement planning seminar?*
- *Have you requested an estimate of your pension from DRS or used the Online Retirement Benefit Estimator on the DRS Web site?*

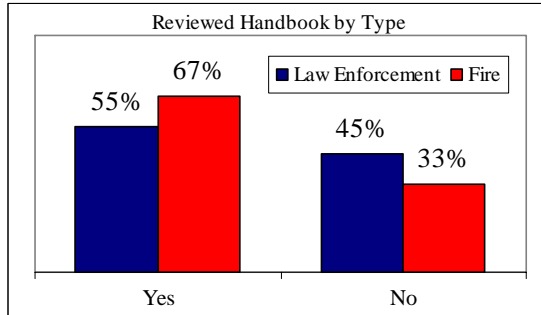
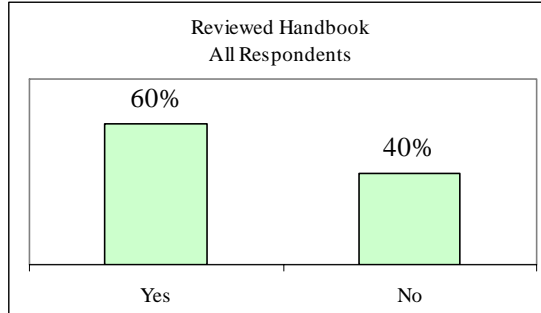


***Have you reviewed a copy of the LEOFF Plan 2 Member Handbook?***

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Of the total respondents, 60% have reviewed a copy the Member Handbook. A slightly higher proportion of fire fighter respondents have reviewed a handbook than law enforcement respondents.

Sixty-seven percent of the fire fighter respondents and 55% of the law enforcement respondents have reviewed the Member Handbook.



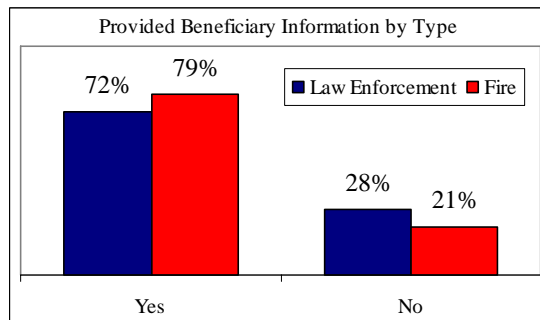
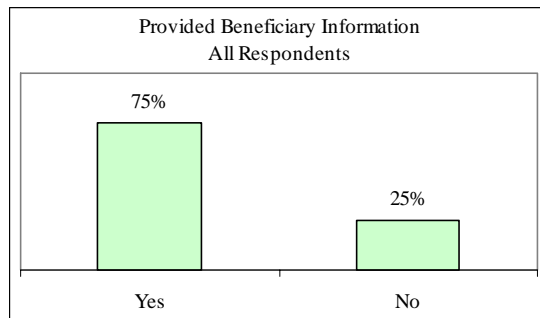
## ***Have you provided your beneficiary information to DRS?***

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Normally, beneficiary information is submitted to DRS through the employer at the time an employee is hired.

Seventy-five percent of the total respondents reported they had provided their beneficiary information to DRS. Surprisingly, one quarter of the total respondents reported that they had not, or did not know if they had provided their beneficiary information.

Seventy-two percent of the law enforcement respondents reported providing their beneficiary information and 79% of the fire fighter respondents provided their beneficiary information.

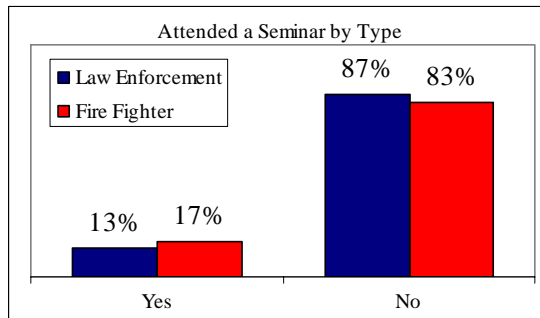
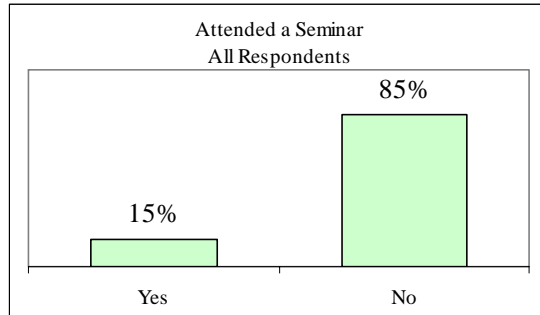


***Have you attended a DRS retirement planning seminar?***

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A small proportion of the membership has attended a DRS retirement planning seminar. A total of 15% of the respondents have attended a seminar while 85% have not.

When examined by type of respondent, 13% of the law enforcement respondents and 17% of fire fighter respondents have attended a seminar. Correspondingly, 87% of the law enforcement and 83% of the fire fighter respondents have not attended a seminar.



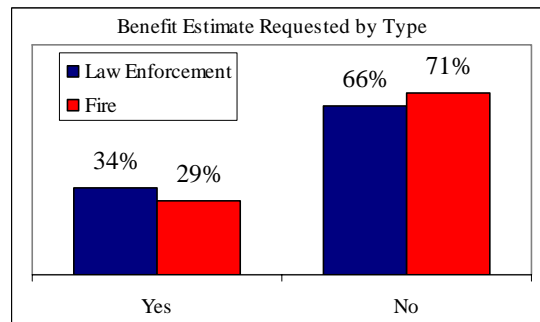
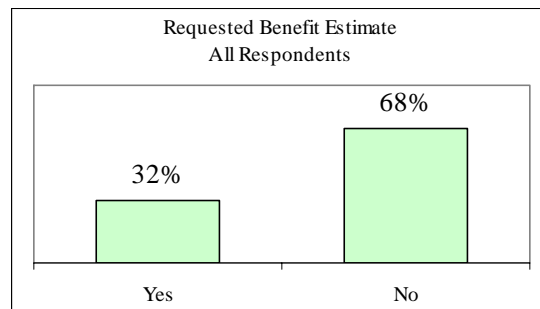
***Have you requested an estimate of your pension from DRS or used the Online Retirement Benefit Estimator on the DRS Web site?***

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According to the 2005 Retirement Confidence Survey by the Employee Benefit Research Institute and Mathew Greenwald & Associates Inc, roughly 4 in 10 workers (42%) have taken the time and effort to complete a retirement needs calculation, the basic planning step that can help individuals determine how much money they are likely to need in retirement and how much they will need to save to meet that goal.

Only 32% of the total respondents have attempted to determine the amount of their LEOFF Plan 2 pension by requesting an estimate from DRS or using the Online Retirement Benefit Estimator. The remaining 68% of the respondents have not used either of these tools to get an estimate of their retirement benefits.

When examined by type, the law enforcement and fire fighter respondents are split relatively equally, with slightly more law enforcement respondents at 34% having requested an estimate than fire fighter respondents at 29%.



#### **4. Familiarity with Benefits**

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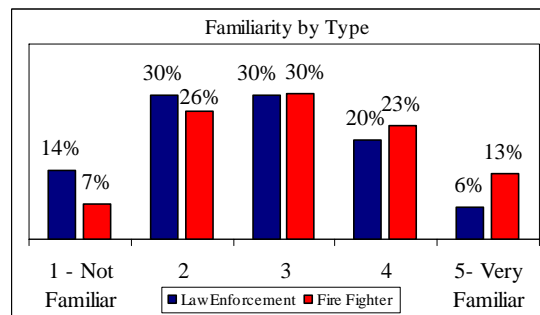
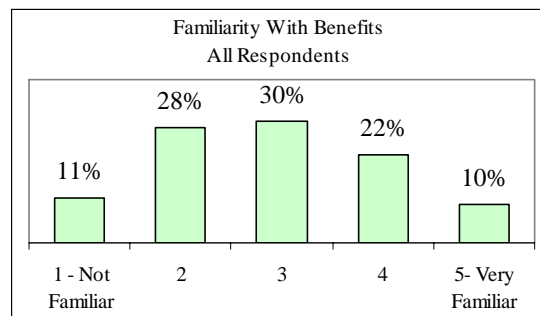
- *How familiar are you with your LEOFF Plan 2 Retirement Benefits?*
- *Does age affect familiarity with benefits?*
- *Are members who have reviewed a member handbook more familiar with their benefits?*
- *Are members who have attended a seminar more familiar with their benefits?*
- *Are members who have received an estimate more familiar with their benefits?*

## ***How familiar are you with your LEOFF Plan 2 Retirement benefits?***

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Respondents were asked to rate their level of familiarity on a scale from 1 to 5 where 1 is “not familiar” with benefits and 5 is “very familiar” with benefits. The average response of all respondents was 2.9. Note that the shape of the responses does approach a normal probability distribution.

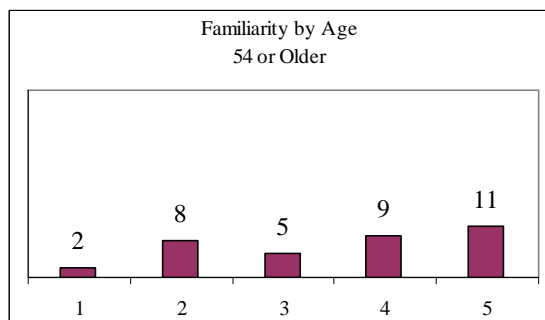
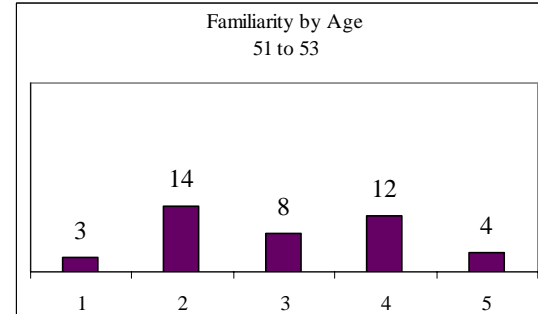
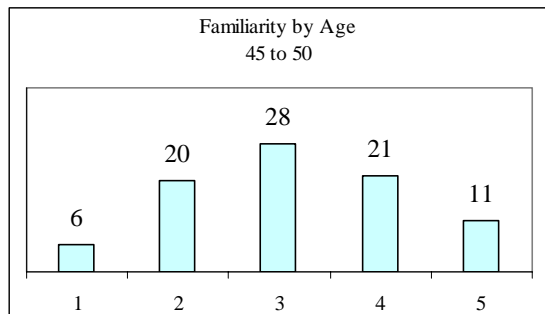
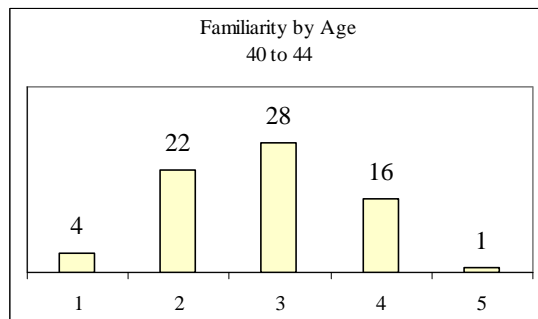
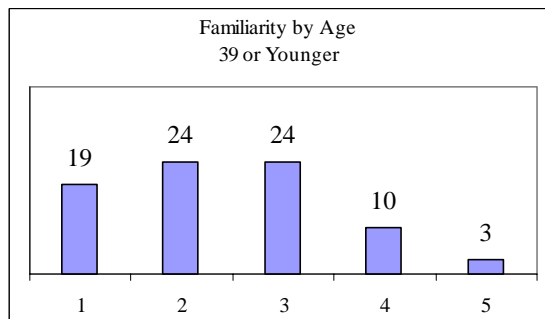
The fire fighter respondents and the law enforcement respondents continue to have similar results, however, the fire fighter respondents did respond overall with slightly higher levels of familiarity with benefits than law enforcement respondents. The average familiarity for fire fighter respondents was 3.1. The average familiarity for law enforcement respondents was 2.8.



## Does age affect familiarity with benefits?

Familiarity with benefits was examined by age group. The original hypothesis with this question is that younger members would be less familiar with their benefits than older members. This was expected due to exposure to benefit information over time in the work place or through labor organizations, and due to heightened interest as members approach retirement age.

Looking at the familiarity by age group confirms that there is a gradual shifting of familiarity from 1 “not familiar” with benefits to 5 “very familiar” with benefits with the increase of age. Respondents in the two youngest age groups reported average familiarity levels of 2.4 and 2.8. Respondents in the two oldest age groups reported average familiarity levels of 3.0 and 3.5.



***Are members who have reviewed a member handbook more familiar with their benefits?***

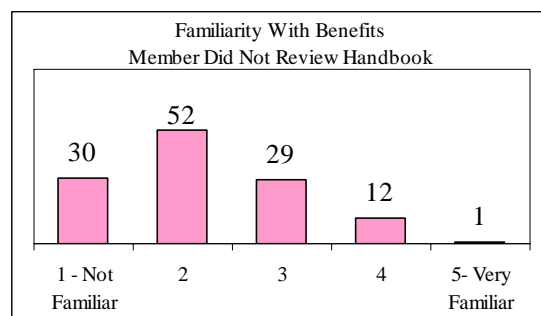
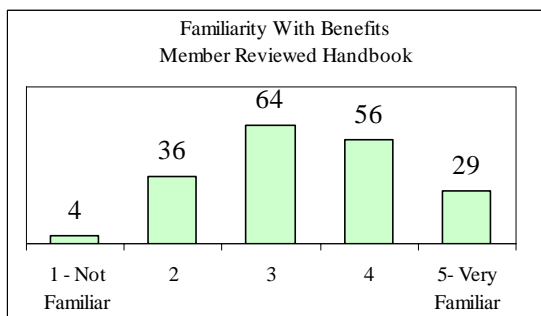
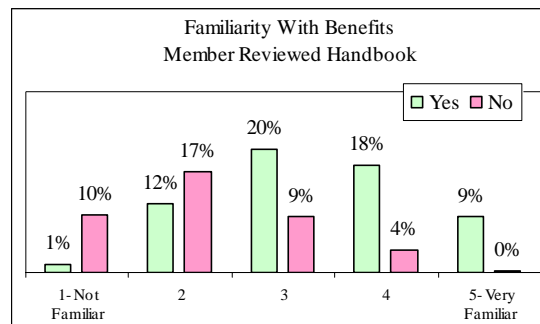
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Familiarity of benefits was compared to the respondents' answers on review of the member handbook. The original hypothesis with this question is that members who had reviewed the member handbook would be more familiar with their benefits.

While 27% of the total respondents reported having reviewed a handbook and high familiarity level (4 or 5), only 4% of the total respondents reported not having reviewed a handbook and a high familiarity level (4 or 5).

Thirteen percent of the total respondents who had a low familiarity level (1 or 2) reported that they had reviewed a member handbook. In contrast, 27% of the total respondents who answered as not having reviewed a member handbook had a low familiarity level (1 or 2).

The comparisons clearly indicate that respondents who had reviewed a member handbook were likely to be more familiar with their benefits.





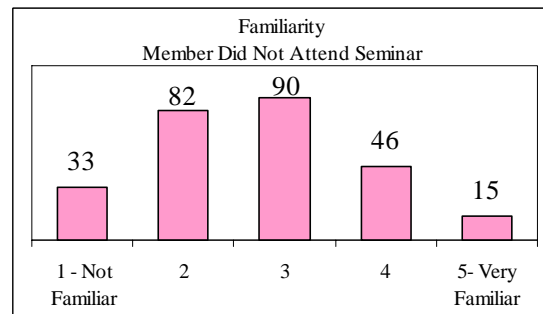
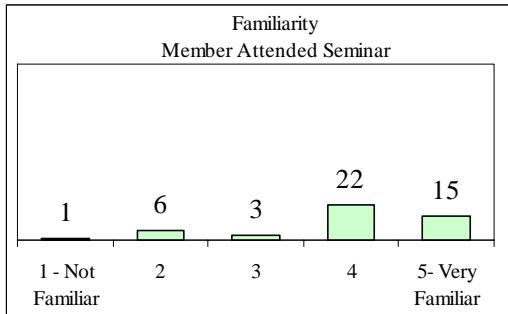
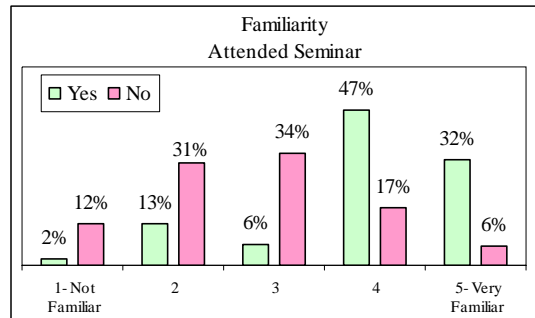
***Are members who have attended a DRS retirement planning seminar more familiar with their benefits?***

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When compared with those members who had attended a DRS retirement planning seminar, a respondent was likely to indicate a higher level of familiarity with benefits than those respondents who had not attended a retirement planning seminar.

Although only 15% of the respondents had attended a retirement planning seminar, 79% of those respondents reported a familiarity level of 4 or 5 on the survey. In contrast, of the 85% of the respondents who did not attend a seminar only 23% reported a familiarity level of 4 or 5 on the survey.

The comparison does suggest that those attend a retirement planning seminar are more likely to be familiar with their benefits.

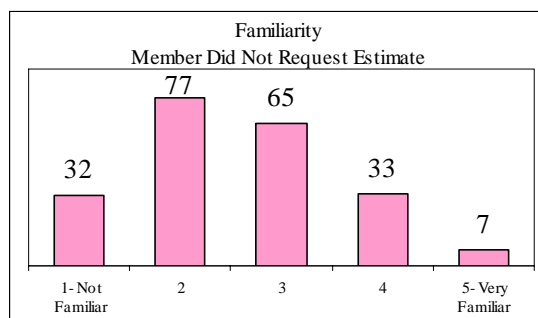
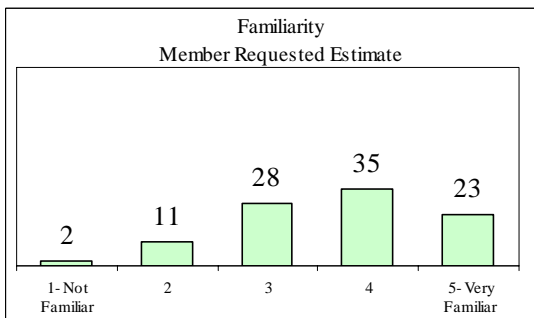
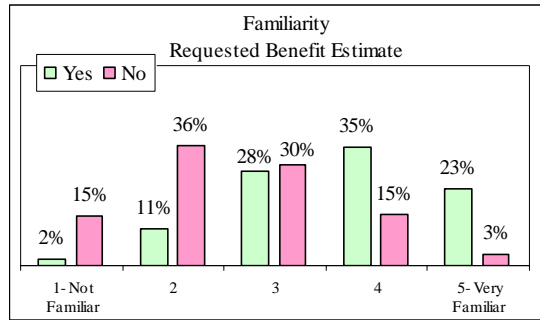


**Are members who have requested an estimate more familiar with their benefits?**

When compared with those members who had attended requested a benefit estimate, a respondent was likely to indicate a higher level of familiarity with benefits than those respondents who had not requested a benefit estimate.

Approximately one-third of the respondents (32%) had requested an estimate of benefits or completed an estimate on the Online Retirement Benefit Estimator. Out of those respondents, 58% reported a familiarity level of 4 or 5 on the survey. In contrast, only 18% of the respondents who had not requested an estimate of benefits or completed an estimate on the Online Retirement Benefit Estimator reported a familiarity level of 4 or 5 on the survey.

The comparison clearly indicates that a member who requests an estimate of benefits or completes an estimate on the Online Retirement Benefit Estimator is more likely to be familiar with their benefits.



## 5. Other Comments

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Although the survey did not request respondents to submit any other comments about the LEOFF Plan 2 retirement benefits, about 10% of the respondents did include letters or notes with their responses. It is difficult to capture all of these remarks, but there were some recurrent themes that are worth noting.

Predominantly, respondents claimed retiree health care as their number one concern. Several of the respondents mentioned the willingness to pay additional contributions for retiree health care coverage. This issue was of particular interest to those respondents who had identified themselves as retirees.

The next most common comment was the need for an increased benefit multiplier. In most cases, the comments suggested increasing the multiplier to 2.5% or 3%.

Lastly, there were several requests for additional information about LEOFF Plan 2 Retirement Benefits.

LEOFF Plan 2 Retirement Board Staff provided a response back to every respondent that included other comments with their survey.