



STATE OF WASHINGTON
LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS'
PLAN 2 RETIREMENT BOARD

P.O. Box 40918 • Olympia, Washington 98504-0918 • (360) 586-2320 • FAX (360) 586-2329 • www.leoff.wa.gov

May 9, 2008

Mr. Timothy Treadway
16410 84th ST NE D-558
Lake Stevens, WA 98258

Dear Mr. Treadway:

Thank you for your recent letter to Governor Gregoire regarding disability benefits in the Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 Retirement System. The Governor asked me to respond to you directly.

Your letter will be presented to the LEOFF Plan 2 Retirement Board members prior to their next meeting on May 28, 2008 and will be scheduled for a public hearing at a future Board meeting after the Board staff has a chance to do some research. Agendas for upcoming Board meetings are posted on the Board's Web site prior to the meeting; so you can watch for this issue to be scheduled at www.leoff.wa.gov under Board Meetings.

I sincerely thank you for bringing this issue to the attention of the Board because they appreciate hearing about these issues from the people who are living them. There may be a good opportunity to advance your idea of allowing qualified retirees to convert their current retirement into a duty-disability retirement so they can take advantage of available federal income tax benefits.

Please feel free to contact me directly at (360) 586-2323 if you have any questions.

Sincerely,

Steve Nelsen
Executive Director

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OFFICE OF THE GOVERNOR

To: Governor Christine Gregoire

From: Timothy T Treadway
Deputy Sheriff Snohomish Co. Retired

Dear Governor Gregoire

I served 20 years as a Deputy Sheriff for Snohomish County. I loved my job as a law enforcement officer. I was able to work in several different areas within the Department. During the course of my duties over the years it took a toll on my knees. I was injured in the line of duty. After several injuries to my right knee and failed treatment the right knee had to be replaced totally in 1998. I returned to work several months later and seemed to be able to do the job ok. I had another mishap and injury to my left knee. Over the months I lost my confidence in my ability to perform my duties. After long conversations with my primary Doctor Dr. O'Connor concerning my medical short comings it was determined that I should apply for a Disability retirement under Leoff 2 system.

I applied for a Disability retirement through Leoff 2 and Washington State. I was awarded the Disability status and retired in July of 2000. I served my community and the State of Washington with all there was inside me. I did not want to leave my position as a law enforcement officer. I left because I knew I was not able to do the job 100% in my mind. I knew that it was time to give up the dream and leave. Just so you understand Governor becoming a cop was my highest goal in life. I was 34 years old when I started and it was the best day of my life.

To my point of this letter which not only concerns me alone but possibly many Leoff 2 officers that retired with a Disability retirement prior to Jan 2001. I also was awarded full Disability by Standard Insurance Company. All of us Leoff 2 Deputies at Snohomish County had a policy that covered us if we somehow got injured on duty and could never work as a cop again.

A new law was passed sometime in 2005 concerning tax breaks for Disability retirement under the Leoff 2 system. This law is a great benefit for those cops that have their careers cut short through no fault of their own. As you maybe aware the Leoff 2 system came into being around 1977 and gave us cops not much to look forward too. We all had to live with the fact that we had no medical when we retired. We had no real benefits for our years of service except our Leoff 2 pension based on age and years of service. Any one of Leoff 2 cops could have our careers shorten and have to leave our jobs with little or nothing to show for our service. We all accepted the short comings of the Leoff 2 system because we all wanted to protect and serve as comy as that may sound.

Everyone knows what the Leoff 1 system offered law enforcement officer and why it was changed to Leoff 2. I wonder what the Hell the law makers of Washington were thinking when they passed this new law concerning Disability retirements. Why did they not cover any Leoff 2 officer that retired on a disability prior to Jan 2001. I think that all of us Leoff 2 cops prior to Jan 2001 could use a little tax relief also don't you. With the high cost of everything these days paying a little less income tax on our pensions would help some. I sure that the Leoff 2 cops after Jan 2001 thank the State of Washington for thinking about them. How about letting us Leoff 2 cops prior to Jan 2001 thank you also. How about it Governor fair is fair. All of us Leoff 2 cops prior to Jan 2001 went through the same dangers as our newer brother cops of now.

Thank you for your time and effort in this matter. I'll be looking forward to hearing from you personally.

Tim T Treadway

WINTER ~~2008~~

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STATE OF WASHINGTON
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P.O. Box 40918 • Olympia, Washington 98504-0918 • (360) 586-2320 • FAX (360) 586-2329 • www.leoff.wa.gov
May 12, 2008

Select Committee on Pension Policy
C/O The Office of the State Actuary
Post Office Box 40914
Olympia, Washington 98504-0914

Dear Honorable Members of the Select Committee on Pension Policy:

On behalf of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 Retirement Board (Board), I would like to thank you for the cooperative working relationship we have shared in the past and look forward to a similar partnership in the future.

I would like to bring several topics back to your attention as you begin preparation for the 2008 interim. It is our hope that the Select Committee on Pension Policy (SCPP) and the Board can work cooperatively on these issues to once again develop legislation. I have provided a brief summary of each topic for your reference:

Interruptive Military Service Credit

Working cooperatively last interim, the Board and the SCPP jointly endorsed a bill that would have eliminated a member's obligation to pay for interruptive military service credit if the member served during a period of war. The Board is once again interested in working cooperatively with the SCPP on the issue and feels the following additional question will need to be further explored:

- Should the benefit apply to all periods of interruptive military service which have not yet been recovered?

Inflationary Adjustment for \$150,000 Death Benefit

The Board is interested in once again working with the SCPP to further study the effect of adding an inflationary adjustment to all the state retirement plans that provide the \$150,000 death benefit. In addition to last year's study the Board feels following issues will need to be explored further:

- Should an adjustment in the lump sum amount be made to account for inflation since the creation of the benefit?
- Should both the lump sum adjustment and the addition of the inflationary adjustment be included in the bill?



Military Service Death Benefit

The Board and the SCPP jointly recommended legislation to the 2008 Legislature, which would have provided an unreduced annuity to qualifying survivors of members of all plans, who leave employment due to service in the National Guard or Reserves and die while in military service, during a period of war. The Board would like to continue our joint work to eliminate the “early retirement” actuarial reduction applied to the pensions of members who die while honorably serving our country.

Fish and Wildlife Enforcement Officer Service Credit Transfer

The Board and the SCPP also jointly recommended legislation last session that would have permitted Department of Fish and Wildlife Enforcement Officers to transfer service credit earned in the Public Employees' Retirement System (PERS) Plan 2 as enforcement officers into the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2. The Board feels the following issue may need to be further explored as well:

- Should PERS 3 members be included in the transfer group?

Please feel free to contact me or Steve Nelsen, LEOFF 2 Board Executive Director, should you have any questions or like any additional information. Steve can be reached at (360) 586-2320 or steve.nelsen@leoff.wa.gov, and I can be contacted at (360) 943-3030 or pres@wscff.org.

We would be happy to meet with you to discuss these topics at an upcoming SCPP or LEOFF Plan 2 Retirement Board meeting. Thank you for your consideration and we look forward to working with you.

Sincerely,



Kelly Fox, Chair

cc: Matt Smith, State Actuary



Office of the State Actuary

"Securing tomorrow's pensions today."

May 13, 2008

Mr. Kelly Fox, Chair
LEOFF Plan 2 Retirement Board
PO Box 40918
Olympia, WA 98504

Dear Mr. Fox:

Thank you for your letter to the Select Committee on Pension Policy. This correspondence was received in the Office of the State Actuary on May 12, 2008.

The Office of the State Actuary is a non-partisan agency providing technical assistance to the legislative and executive branches, as well as staff support to the SCPP. Our office will forward your letter to all members of the SCPP at its next regular meeting to be held on June 17, 2008. Correspondence to the SCPP is typically found in the Executive Committee's meeting materials under the agenda item entitled "Constituent Correspondence."

As provided in SCPP Rule 8(c), the Executive Committee of the SCPP sets the agendas for the full SCPP. The SCPP typically receives many requests to study various issues each interim, and while all of them will not be studied, all suggestions will be made known to the Committee. You can view the agendas and track the progress of issues studied by the Committee by visiting the SCPP website at <http://www.leg.wa.gov/SCPP/default.htm>.

Thank you for your interest in the work of the SCPP.

Sincerely,

Elizabeth R. Hyde
Publications Specialist / Webmaster

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