

A light blue map of Washington State is positioned on the left side of the slide, partially overlapping the dark blue background. The map shows the state's outline and major geographical features like the coast and the Cascade Range.

# **LEOFF Plan 2**

## **Social Security Survey Results**

**WASHINGTON STATE**  
**Law Enforcement Officers' and Fire Fighters'**  
**Plan 2 Retirement Board**

**September 28, 2005**

# Background

- Board request to fill knowledge gaps
- Method
  - Used lists from DRS
  - Contacted each employer by phone
- Minimal cost
  - Used temp staff
  - Borrowed computer
  - Used office conference room

# Survey Goals

## Determine:

- How many LEOFF Plan 2 members have Social Security
- How many have a Social Security Replacement plan
- How many have Deferred Compensation
- How many have Medicare and retirement medical

# Employers

Question: Do you employ Police Officers,  
Fire Fighters or both?

- 481 LEOFF 2 Employers
  - 229 employ Law Enforcement Officers
  - 218 employ Fire Fighters
  - 81 employ both

# Employees

- 8,730 Law Enforcement Officers
- 6,328 Fire Fighters

# Social Security Coverage

Question: Do you contribute to Social Security?

- 58.53% of Law Enforcement covered by Social Security
- 6.48% of Fire Fighters covered by Social Security

# Medicare Coverage

Question: Do you contribute to Medicare?

- 100% of LEOFF Plan 2 employers answered yes

# Social Security Replacement

Question: If you do not contribute to Social Security, do you have a replacement plan?

- 19.63% of Law Enforcement Officers have Social Security replacement
- 35.05% of Fire Fighters have Social Security replacement



# Deferred Compensation

Question: Do you have a Deferred Comp plan and do you contribute?

- 331 of 366 LEOFF 2 employers offer Deferred Compensation
- 92 of those employers provide some kind of match

# Health Care

Question: Do you provide access to medical coverage to retired employees and do you contribute?

- 46.8% of LEOFF 2 members have access to retirement health care
- 47.18% of employers offer access to retirement health care

## Health Care, cont.

- 43.9% of Law Enforcement Officers have access
  - 1.56% receive employer contributions
- 50.7% of Fire Fighters have access
  - 3.7% receive employer contributions

Questions?



STATE OF WASHINGTON

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

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September 28, 2005

**TO:** LEOFF Plan 2 Retirement Board Members

**FROM:** Shawn Merchant, Deputy Director

**SUBJECT: LEOFF Plan 2 Employer Survey Results**

In response to the Board's request to gather information on the number of LEOFF 2 members contributing to Social Security, the agency conducted a survey of every LEOFF 2 employer.

The survey was conducted using a list of LEOFF 2 employers provided by the Department of Retirement Systems (DRS). A temporary staff member was hired to complete the survey at a cost of \$1,588.16. Office space was provided in the agency conference room and a computer was obtained on loan from the State Investment Board to track survey responses.

Using the list, each employer's payroll officer was contacted by telephone and asked the following questions:

- Does your organization employ police officers, fire fighters or both?
- Do you contribute to both Social Security and Medicare?
- If you do not contribute to Social Security, do you have a replacement plan?
- Do you have a "Deferred Compensation Plan"?
  - If yes, do you (the employer) contribute to the plan?
- Do you provide access to medical coverage to retired police and fire employees?
  - If yes, do you contribute to the cost of retiree medical?

Responses from all 481 employers DRS listed as LEOFF 2 employers were captured in the survey. Not all 481 employers currently employ members of LEOFF 2.

Using a separate list provided by DRS in September, it was determined that 8,730 police officers and 6,328 fire fighters are employed in the state of Washington.

Of the 481 employers, 229 employ police officers and 218 employ fire fighters. Examples of police employers include entities like cities, counties and the Department of Fish and Wildlife. Examples of fire employers include cities and fire protection districts.

Prior to the survey, anecdotal evidence existed regarding the number of employees covered under Social Security. The survey revealed the following:

- 58.53% or 5,110 Police employees are covered by Social Security.
- 6.48% or 410 Fire employees are covered by Social Security.

Some employers, 22 police and 43 fire, whose employees are not being covered under Social Security, provide some kind of replacement plan. Of those, 12 police and 19 fire employers, contribute to the replacement plan. Replacement plans vary from 457 deferred compensation plans to 401(a) plans.

Additionally, employers were surveyed on the availability of Deferred Compensation plans and employer matches or contributions to these plans. Most employers, 331 of those surveyed, offer a deferred compensation plan. Of those, 92 provide their employees with some kind of match.

It should be noted that the percentage and type of match indicates that the plan is offered as a replacement for Social Security. Some employers may have indicated that they do not offer a replacement plan for Social Security when in fact they do, through a deferred compensation program.