

LEOFF 2 Stakeholders' Survey of Potential Defined Benefits from the LEOFF 2 Benefit Improvement Account

Question 12 of the survey is vague and a little confusing. What do my options mean?

12. The Benefits Improvement Account (BIA) is a subaccount of the LEOFF Plan 2 Retirement Fund that was created by legislation in 2008. The assets in this account are invested in the same way as other LEOFF Plan 2 Fund assets managed by the Washington State Investment Board (WSB). Please rank your preferences for the overarching policy concerning the use of the Benefit Improvement Account.

Adopt a benefit that will improve recruitment and retention for LEOFF Plan 2 positions

This means, for example: Members would receive a multiplier bump for the years worked within a specified band of years. The band of years selected would be determined by the LEOFF 2 board with the objective being retention. This approach may aid in recruitment as well.

A minor benefit improvement (within existing resources) for past and future service

This means, for example: Members would receive a multiplier bump for all service already earned and future service. Would not apply to a specific band of years. Might not apply to retired members.

A larger benefit improvement (within existing resources) for future service only

This means, for example: Members would receive a multiplier bump beginning at a specific date forward. It would apply to everyone working. Would not "reach-back". Would not apply to retired.

A combination benefit improvement that recognizes all service but is weighted toward future service

This means, for example: Retired and active members would receive a benefit. The benefit would be smaller for past service and retirees to reflect the fact that they will begin receiving it sooner. Would not apply to a specific band of years.

A one-time distribution of BIA assets to both current and retired members

This means, for example: A lump sum payout would be disbursed to some retired and currently working LEOFF 2 members. Retired would receive a "13th check" and the currently working would have a deposit put into some type of tax deferred account with the State (deferred compensation).