



# CHATTANOOGA FIRE & POLICE



Survey  
February 2013

## PENSION FUND

### Sworn Pension Survey

The Chattanooga Fire and Police Pension Fund initiated a survey to all active sworn members of the City of Chattanooga Fire and Police Departments in order to obtain valuable input from members in regards to the importance of their pension benefits. The survey began January 7, 2013 and ended January 20, 2013.

A total of 818 anonymous email invitations were sent out, with 563 responding to the survey; 5 opted out of the survey; 1 survey bounced back; 1 report of a non-working survey link; and no response from the remaining 247 members. Survey reminders were sent out on the 11th, 14th, 16th, 18th, and 20th of January to encourage participation. Of the 563 respondents, 260 were Firefighters, 299 were Police Officers, and 4 did not to provide this information. The survey results are as follows.

#### EMPLOYMENT:

- Survey responses indicate that 41% of respondents said that the Pension is the #1 reason for choosing to work as a sworn officer for the City of Chattanooga (See Chart 1)
- Accounting for those who say "love of the job" is most important, then 52.4% of sworn employees cite the Pension as the primary benefit that led them to choose employment with the City
- Additionally 58% of respondents say that the Pension is the #1 reason for maintaining sworn service (See Chart 2)
  - 49.8% of the non-vested employees
  - 62.7% of vested
  - 70.8% of vested with 21 to 25 years of service
- Accounting for those who say "love of the job" is most important, then 65.9% cite the Pension as the primary benefit for maintaining sworn service with the City

#### 25-YEAR RETIREMENT:

- 51% of respondents rank the 25-year retirement as the number one benefit of the Pension Plan (See Chart 3)

#### DROP:

- 19% of respondents name the Deferred Retirement Option Provision (DROP) as the number one retirement benefit. (See Chart 3)
  - 22.9% of non-vested employees ranked it as first
  - 16.6% of vested employees say the DROP is most important

#### COLA:

- 18% of respondents said the Cost-of-Living Adjustment (COLA) made to retirement benefits is the most important retirement benefit (See Chart 3)
- Using a weighted average based on the ranking of benefits, the COLA barely edges out the DROP for second place overall (See Chart 4)
  - 22.6% of vested employees give COLA the top ranking
  - 10.3% of non-vested members say it is most important

#### MULTIPLIER:

- Employees' understanding of the multiplier increased with years of service.
  - 34.8% of those with five or less years of service knew the percentage of Final Average Salary (FAS) available to them at 25 years of service
  - 82.5% of those with more than 25 years of service knew the FAS
  - Only 13% of all respondents knew the maximum benefit at 30 years of service
  - 22.2% of those who are retirement eligible knew the correct calculation rate for 30 years of service
- 8% of respondents named the multiplier as the most important retirement benefit (See Chart 3)

#### RETIREMENT:

- Overall, 98% of currently active Firefighters and Police Officers plan to retire from the City (See Chart 5)
  - 99.4% of vested members and 96.7% of non-vested members give such a report
  - 65% of respondents said that they will work at least 28 years before retiring
- Of those who intend to retire from sworn service
  - 29% are not sure of what other retirement income they will have
  - 27% said that they will work another non-sworn job after retirement
  - 6% will seek another sworn position to supplement their retirement income
  - Only 22% say that they will supplement their retirement income through other investments even though 42% of respondents say that they contribute to one of the 457 Deferred Compensation plans offered by the City

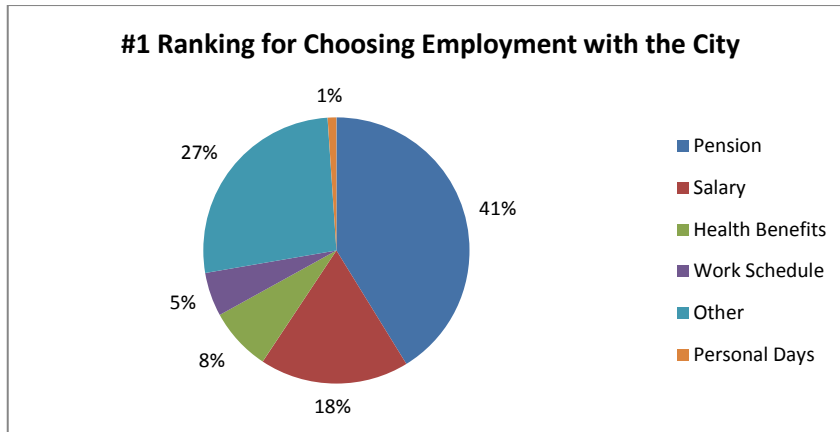


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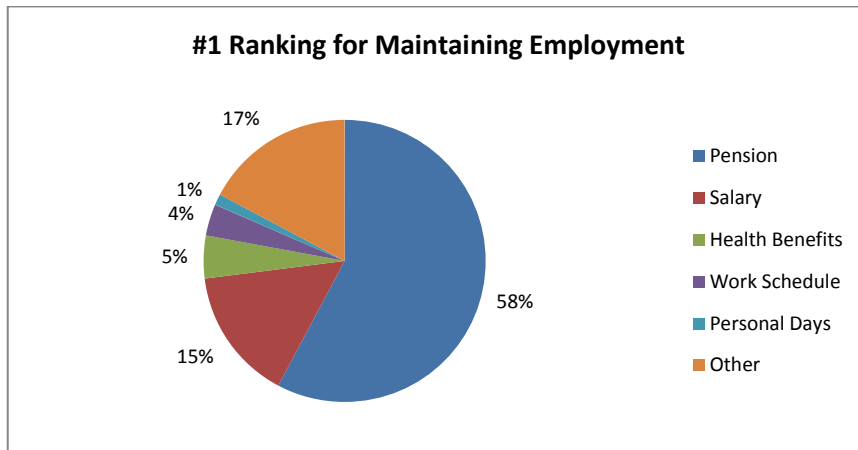
## Survey Charts

Chart 1



- The vast majority of those listing “Other” as #1 said that it is for the “love of the job” or a “personal calling”

Chart 2



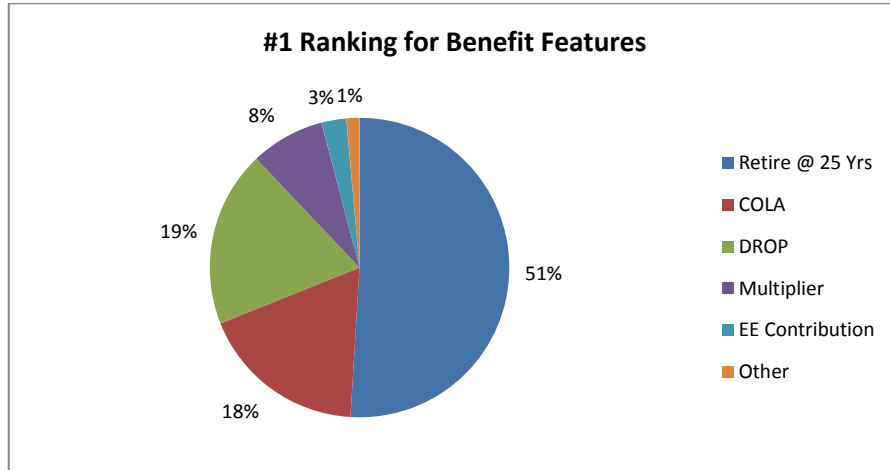
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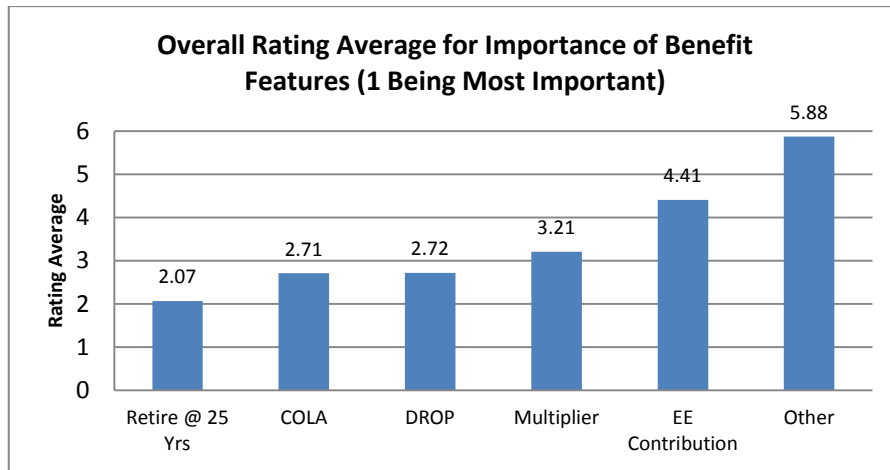
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**Chart 3**



**Chart 4**



**Chart 5**

