

Vermont Retired State Employees Association, Inc.

“Working for All Retired State Employees and Beneficiaries”

<http://home.myfairpoint.net/VRSEA/>

March 2017 Newsletter

The Vermont Retired State Employees Association, Inc. (VRSEA) is the established State Retirees' organization. We represent all retired state employees who are receiving pensions and other retirement benefits. VRSEA is independent of any other body; we answer only to our membership. Our sole purpose is to protect and enhance members' retirement benefits, and we devote 100% of our efforts to that end. VRSEA is recognized in the Vermont Statutes as the voice of retired state employees and beneficiaries, and is registered with the Vermont Secretary of State.



Greetings to State Retirees and Beneficiaries!

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VRSEA Member Survey Through “Survey Monkey” A Great Success!

What is a “Survey Monkey”, you might be wondering? **Survey Monkey** is one of the online services available to help small organizations like VRSEA reach out to our members and get your feedback about what is important to you. **Survey Monkey** provides free or low cost customizable survey options, and analyzes the responses to help us interpret the survey results. Last October we decided to try it! We were hoping to hear from as many members as possible, and we were thrilled to receive nearly 500 online survey responses! This was nearly 44% of our membership at the time! Based on the excellent response to the first survey, we plan to use this method again to reach out to VRSEA members. We will also, of course, be continuing our written newsletters as well. The detailed survey results can be found on the VRSEA website at <http://home.myfairpoint.net/vrsea/>.

2017 Legislative Update

By a wide margin, your **top issues of concern from the 500 survey results** were: (1) **Health Care issues** and (2) **Property Tax relief**. Given all that is going on both statewide and nationally, it is more important than ever to keep a close watch on the economic well-being of our retirees. VRSEA is your eyes and ears in the State House. To that end, we have renewed our paid lobbyist contract with Otis and Kennedy for 2017. Our lobbyists do a

great job of providing us with a monthly list of bills during the legislative session that might be of interest to retirees, and they also attend VRSEA monthly meetings to update the Board.

On January 25th, the VRSEA Board held its annual **“Legislative Day”** at the State House, from 7:30 a.m. until 1:30 p.m. We set up tables in the “Card Room”, the open area just before the cafeteria. This is the best location to “catch” legislators, as everyone passes by to get coffee and food. The day was a great success. Many of our Board members engaged their own legislators and other legislators regarding bills that might come up during the session. Although it was early in the session and not many bills had been introduced, we were able to make our concerns known in advance. Those concerns were duly noted by the legislators we spoke with.

As in any legislative year, many bills have been introduced in the Vermont legislature in 2017 and relatively few will be taken up or pass. As of this writing, the House has introduced 500 bills and the Senate has introduced 130 bills. The Legislature has completed the “crossover” process, where House bills are forwarded to the Senate for consideration. Any bills remaining in the House will not be given consideration this year, although it is possible for certain provisions to make their way into Senate bills. So far there has been very little movement of bills becoming law, based in part on the uncertainty about funding cuts that might come at the Federal level. Nearly every day there is more news from the White House about possible cuts to programs that have been funded by the Federal government for many years. These cuts will affect Vermont significantly if they are enacted as initially proposed. However, the good news is that budgets get amended, and Medicare and Social Security are not currently slated for any cuts.

On the home front, the state has entered into an “All Payer Model” agreement with the Centers for Medicaid and Medicare Services (CMS) that changes the way health care services are paid for. This model is being rolled out to the Medicaid population first. It will not impact private insurance or the state employees’ health plan at this time, although it could in future years if it is shown to be cost effective. Federal Medicare is already using a similar payment system.

Our Retirement System

It is comforting to hear that our new Governor in his budget presentation to the 2017 legislature has proposed to fund our pension obligation for fiscal year 2018 at the full recommended annual level. Over the past several years, the state/legislature has funded the retirement board’s actuarial recommended pension funding request, at 100% plus.

For the current year, fiscal year 2017, the funding recommendation to the Governor is approximately \$48,503,000, and for fiscal year 2018, \$52,065,000. This includes about \$1,000,000 that is required from the few towns that are also in the state system. Going forward, thanks go to our State Treasurer Beth Pearce, who succeeded in getting legislation passed to increase the yearly contributions to pay down our unfunded liability quicker. This action will also save the taxpayers of Vermont an estimated \$165,000,000 combined for VSERS (state employees) and VSTRS (teachers) in pension funding, over the remaining life of our amortization period. The additional contribution is scheduled to begin in 2020.

As of the end of June 2016, our Pension System total obligation is funded to the level of 74.6%. The pension assets/investments contribute a large share to the overall system liability/obligation. The number of state retirees on said date was 6,542. As of today, we are at approximately the 7,000 level. The annual payout of pension benefits is just under \$120,000,000.

We encourage all of you to contact your legislative representatives and request that they support the full funding of our retirement system and also thank them for their past support.

New Web Page Under Review

The VRSEA Communications Committee has been very busy in 2017. The newly constituted committee includes two new Trustees, Kathy Callaghan, Chair, and Allen Ploof. The third Committee member is VRSEA Secretary Cynthia Webster, Vice Chair. This year our goal is to enhance VRSEA's communications with our members by using a variety of tools. The new "spiffed up" newsletter format has been redesigned to be more informative and reader-friendly. We will continue to keep you notified about matters of importance to state retirees.

Another project in the works is a review of our current web page. The idea is to make it easier to communicate with our members, and they with us. The Board of Trustees is in the beginning stages of researching and exploring what it would cost, how it would work, what should be on it and how we can use it to more effectively communicate with members. Our current web master, Gordon MacArthur, is on board and working with the Communications Committee to review our options to create a more robust web site. Trustee Allen Ploof has purchased domain names for VRSEA so we have our own web site name. So far, we have solicited feedback on professional web site designs, as well as the more "home grown" variety (another term for "build-your-own"). We were encouraged to learn that it may not cost as much as originally anticipated. There are many lower cost platforms and other "techy" stuff available online these days. The Board has created a "Request for Information" document which will be sent out to a variety of web site firms and technical colleges to solicit more information. Of course, one of our tech-savvy grandkids could probably do the whole thing in an hour!

Quick Notes

- **Hold that Date!** The 2017 VRSEA Annual Meeting will be on September 13th. More details will follow.
- **Good News!** For 2017, the premium rates for our Retiree Dental Plan have **decreased** an average of 8%, and we will enjoy that rate stability for the next 3 years! When does anything ever go down?
- **Free Wellness Screenings:** If you received a bright yellow post card from the State Employees Wellness Program (LiveWell) recently, don't miss an opportunity to get a free Wellness screening. You can visit <https://mybluehealth.bcbsvt.com> online, or call (802) 828-2804 \to sign up.
- **Please Remember** to notify the Retirement Office and VRSEA of any **address changes**. The Retirement Office also needs to know if you wish to update your beneficiary information. They can be reached at (802)828-2305, or www.vermonttreasurer.gov/content/retirement.
- **Retirement Office Newsletter:** The Retirement Division of the State Treasurer's Office has announced it will no longer send their semi-annual newsletters through the mail. Beginning with the January, 2017 newsletter, you may access them on the Treasurer's Office website by clicking on the "Retirement" section, or you may go directly to the following address:

<http://www.vermonttreasurer.gov/content/retirement/state/newsletters>

This site also provides you with a contact site where you may request to receive previous issues of the Vermont State Retirement System newsletters.

We Appreciate Our Members

Your VRSEA organization continues to grow in membership from year to year. The total number of retired State employees has reached the 7,000 mark and we look forward to welcoming new members. Currently we have a total of 1,194 supporting members, and that includes 195 new members. We recently reached out to last year's members whom we had not yet heard from, resulting in 148 more retirees renewing their membership for this year.

We continue to receive a good response from many of the members thanking us for the reminder and for our good work. We check our mail box weekly, and the ongoing interest and membership support from state retirees continue to come in. We are glad to see that retirees appreciate having an organization working and looking out for their interests.

We want to thank all the retirees who renewed or joined as a new VRSEA member. We also want to thank those who provided additional donations to our cause. Your support, which “Helps Us Help You”, provides 100% of the financing for the services and actions we find necessary to help preserve, protect, and/or enhance our retiree benefits. The VRSEA Board sincerely appreciates your investment in your organization, and your participation in the process. If you know of other retirees who have not joined VRSEA, please put in a good word. Strength in numbers is a strong asset for all of us!

Sincerely,

Marc Metayer

President