

**From:** Jackie Stoner <jackie.stoner@mmuusd.org>  
**Sent:** Friday, April 2, 2021 11:07 AM  
**To:** Testimony  
**Subject:** teacher's pensions

I am writing to implore you to NOT dismantle teacher's ability to retire with dignity and not place the burden of mismanaged pensions on their future and that of their families. Teachers are the backbone of a stable society. Without the hard work of teachers, tireless, professional, empathetic, and dedicated, I fear for the future. Please invest in rectifying the state of mismanaged pension funds to not further impact this essential workforce for the future of our state. Anything less will jeopardize Vermont's financial growth and ability to attract teachers and families to reside and work in this state for the future. Seek alternative means to and choose wisely for those deserving teachers who have invested in their future through donating to the pension, but also made the world better through their thoughtful work with Vermont's students and families.

Respectfully submitted,

Jacqueline Costello Stoner  
Underhill, Vermont

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**From:** Wezmarie2 <wezmarie2@aol.com>  
**Sent:** Thursday, April 1, 2021 2:23 PM  
**To:** Testimony  
**Subject:** Fwd: SHAME ON YOU Testimony

I still disagree that there is no contract. I don't care how it was promised. By legislation or negotiated, It was promised. Seems to me, like a verbal agreement you don't get to change the terms, because they suddenly can't hold up their end of the bargain and due to their own mismanagement. For over 20+ years I have done what was asked. In that time, we have seen our health insurance sky rocket, we've taken pay reductions and gave up a holiday. We've had several hiring freezes including this past year; making us have to do the same or more work with less help. Then, despite a worldwide pandemic with millions of deaths, we continued to do the state of Vermont work despite fears for our own health along with jeopardizing our family. Because face it, the protections were clearly not great...we were lucky....super lucky more stateworkers and educators (who did sooooo much more with less this past year.) And this is the reward for our efforts???? How dare they!!!!!! HOW DARE THEY!!! We should not be made to face this nonsense. To make it sound like we are greedy because we chose to fight for what has been promised, by legislators and the public???? You want to know why its harder to recruit folks to work for the state, teach our children, protect life and liberty because time after time the rising costs of all these things are paid on our backs. We are made to feel our hardworking is meaningless. How long has it been since there has been and increase of taxes on the Wealthy...like the 2 bozos who testified against us....a bank ceo & a teddy bear maker. (Most of which are now made in china) ...both have their fantastic exit plans for their retirement but have the nerve to begrudge us ours. Again I say how dare you!?!?!?!? And finally. SHAME ON THEM. After the stressful last 12 months...we now have to increase our anxiety to another level. Its total baloney. Find the money! You may have to stop buying land for a few years. You may have to sell land. But the legislators must bare this. Not the workers & educators. Governor Scott how's about you pipe up and take this burden off our backs!!!!

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From: Field, Louise <Louise.Field@vermont.gov>  
Date: Tuesday, March 30, 2021  
Subject: Testimony@leg.state.vt.us  
To: 'wezmarie2 <wezmarie2@aol.com>

[Testimony@leg.state.vt.us](mailto:Testimony@leg.state.vt.us)

**Louise M. Field**

Williston PSAP Emergency Communications Dispatcher

[Louise.Field@vermont.gov](mailto:Louise.Field@vermont.gov)

(802)878-7111

**From:** Jackie Stoner <jackie.stoner@mmuusd.org>  
**Sent:** Thursday, April 1, 2021 1:32 PM  
**To:** Testimony  
**Subject:** Fwd: teacher's pension

I am writing to implore you to NOT dismantle teacher's ability to retire with dignity and not place the burden of mismanaged pensions on their future and that of their families. Teachers are the backbone of a stable society. Without the hard work of teachers, tireless, professional, empathetic, and dedicated, I fear for the future. Please invest in rectifying the state of mismanaged pension funds to not further impact this essential workforce for the future of our state. Anything less will jeopardize Vermont's financial growth and ability to attract teachers and families to reside and work in this state for the future. Seek alternative means to and choose wisely for those deserving teachers who have invested in their future through donating to the pension, but also made the world better through their thoughtful work with Vermont's students and families.

Respectfully submitted,

Jacqueline Costello Stoner  
Underhill, Vermont

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**From:** Ann Cummings  
**Sent:** Thursday, April 1, 2021 1:25 PM  
**To:** clamjam22; Testimony  
**Subject:** Re: VT Pensions

Clancy,

You and I have communicated for years mostly around Vermont Yankee. I understand that you are upset. The Legislature is upset that we are in this position. But no one stole your pension money. We have been fully funding the pension plans plus paying interest and penalties for past underfunding. As a result, other state obligations like mental health and long term care have been severely under funded. We are investigating how we got in this position. But that's water under the bridge. The bottom line is that people are living longer. That means that more money needs to be paid in to cover the costs of those additional years. We're trying to find a solution that is fair to everyone. To do that, we have to work together.

Ann Cummings

Senator Ann Cummings

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**From:** clamjam22 <clamjam22@gmail.com>  
**Sent:** Wednesday, March 31, 2021 2:52:04 PM  
**To:** Testimony <testimony@leg.state.vt.us>  
**Subject:** Re: VT Pensions

Sounds like the fix is in.

> On Mar 24, 2021, at 15:31, clamjam22 <clamjam22@gmail.com> wrote:

>

> Dear General Assembly:

>

> I, Clancy DeSmet, am a vested member of the VT retirement system. I attended Vermont Law School, worked for the City of Montpelier, and for the State of Vermont as a District Environmental Coordinator for Act 250. I also served as a VSEA Council Member, and I'm astonished at the proposal on the table regarding VT pensions. Wages in VT are low, the cost of living is high, and in 2017 I left VT for better opportunities.

>

> And, I have a right to my pension, and it's really astonishing that the Democratic-led General Assembly is stealing money from the state workforce and retirees. Shameful. Who's side are you on? State employees who already have 30 years of service are retiring left and right, and now you want to increase employee contributions and remove COLA raises after we retire. Now we have to work longer! I'll ask again. Who's side are you on? Maybe I should rollover my pension into another system.

>

> The General Assembly has a duty to its people and its state employees.

>

> Sincerely,

>

> Clancy

>

- > Clancy DeSmet
- > 1326 Fernwood Drive
- > McKinleyville, CA 95519
- > 802 282 2106

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**From:** Rod Hull <rhull@anwsd.org>

**Sent:** Thursday, April 1, 2021 11:58 AM

**To:** Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; Jill Krowinski <JKrowinski@leg.state.vt.us>

**Subject:** [External] TEACHER RETIREMENT

[External]

Hello Everyone,

I have been a teacher for 17 years now and am 61 years old. One of the main reasons I chose to be an educator is to work towards a retirement pension. This whole situation just turns my stomach to think that politicians of the past could be so heartless and inconsiderate in assuring that VT Pensions stayed in force.

Please don't be a continuation of making bad decisions during tough times. So many Teachers are relying on you to do the right thing. Do any of you have a Teacher in your families? There has to be better ways to correct bad practices of the past. I have felt sick to my stomach daily since I learned of this catastrophic issue.

No quality educators will stay in positions as educators in Vermont.

You represent Vermont and Vermont is better than this!

Sincerely

Rod Hull

Vergennes Vermont

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**From:** Michael Corbett <michaelmcorbett@gmail.com>

**Sent:** Thursday, April 1, 2021 9:57 AM

**To:** Becca Balint <bbalint@leg.state.vt.us>; Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; John Gannon <JGannon@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>

**Subject:** [External] Suggestions for Pension Reform

[External]

Good Morning,

I am concerned about the pension reforms that are being proposed by the House Government Operations Committee. Similar to the Treasurer's recommendations, I do not see anything creative in the initial plan. Why not consider and study any or a combination of the following ideas/concepts:

- Leaving pensions as-is for those that have put in significant years towards their pensions; perhaps those closest to retirement down to those with 10-15 years of tenure. Then transition everyone below the determined cutoff (say below 10 years for this example) to a 403B /457 with a State match and roll the current balance of the employee's pension (using a present value calculation) into this plan. This would still leave a hole in the fund for those that are retired or have 10 or more years of service and will receive a pension so this hole would then need to be filled with State funds and federal pandemic relief funds.
- Pensions are not the gold standard that they once were. Many employees would rather direct the investment of their own retirement funds, have more career mobility, and choose how much to contribute and when to retire. If given the option, some beyond 10 years of service may choose to forgo a pension in exchange for more flexibility in a 403B/457. Some may choose a hybrid, leaving what they have contributed and earned to date in a pension for annuitized income in retirement and making contributions to the 403B/457 going forward. The Treasurer does not seem willing to consider anything but a pension for State employees and teachers, perhaps this is due to the hole that will need to be filled if current retirees are not being funded by new entrants into the system but that in of itself is not a reason to ignore other options or their appeal and long term benefits.
- Do not be shortsighted and miss the unintended consequences of potentially pushing excellent employees into other careers or saddling the State's school districts with paying another 10+ years of teacher salaries at the highest level on the pay scale. And do we want schools full of 60+ year old teachers only hanging on so that they can receive their full pension? We already have teachers in their mid-40s that are burnt out but hanging on. Think about the impact to the quality of education and to the cost of salaries. Also, what about "total compensation", the unions will be asking for more salary to offset a reduction in pension benefits; why not just

honor the promises that have already been made and make new and different promises to those starting their careers now

- Teachers especially are underpaid and under appreciated in this country and in this State. They work tirelessly and thanklessly to develop our next generation and shape our community. Once a job dominated by instruction of students, their days are now split between compensating for absentee parents, dealing with all forms of psychological trauma, ensuring kids are properly nourished and ensuring hygiene and grooming, etc. For the past 12 months, add a pandemic on top of this with many working at least a few days a week if not full-time in-person without vaccinations. How do we thank these steadfast public servants? By taking away promised and hard earned and partially personally funded retirement benefits? Vermont can do much better than this. The State employees and teachers did not create this problem. The mismanagement of the pension by the State, overseen by the legislature, did.

I hope that you will go back to the drawing board and consider more creative solutions that do not penalize those currently well into the pension system or break the promises made and relied on by these citizens of Vermont. They trusted the State and have chosen their careers and made their future retirement plans accordingly. It is unfair for the State to pull the rug out from under them after so much time. What might be fair is to look at those still early into the system or just entering now. Fix what is broken for those too far in and cap it for future entrants. Setup a new system that is less directly dependent on the State and also does not provide the temptation, due to lack of access, to be underfunded or raided for other State endeavors. I am not suggesting, and most level headed State employees and teachers would not either (despite what the unions might say), that the system should or can stay as it is. Change is needed but what has been proposed is simply unfair. There are better options that are more balanced between the employees and the State/citizens of Vermont.

Thank you,

Mike Corbett  
Middelbury

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**From:** Becky Wilkins <blizwilkins@gmail.com>  
**Sent:** Thursday, April 1, 2021 9:05 AM  
**To:** Testimony  
**Subject:** State Employee Pension

I wasn't able to comment during the live sessions as I'm a single mom of 3 and 7 year olds - who will also be impacted if you cut my pension. But I need to echo my fellow state employees - you didn't play by your own rules. You borrowed from our pensions for other purposes.

You stole from us.

And now you're about to mandate that we pay for your losses. Please clean up your own mess.

~Rebekah Wilkins  
State employee since 2005

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**From:** Amy Alfieri <aalfie13@gmail.com>

**Sent:** Wednesday, March 31, 2021 5:21 PM

**To:** Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; John Gannon <JGannon@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmilller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>

**Subject:** [External] State employee and educator pensions

[External]

To the members of the House Committee on Government Operations,

I was unable to testify to the Committee on March 29, 2021 regarding the proposed plan put forth from the Speaker so I offer you this email.

I am almost 46 years old and have been a classified employee for 7 years. Prior to that I was a seasonal employee with the State of Vermont for 11 years, all working for the Fish and Wildlife Department. My entire career of over 20 years has been working in public service with various organizations. Similar to many of my peers who provided testimony, I could have chosen to work in another state or for the Federal Government where I would have earned thousands of dollars more a year than I do now. Instead, I chose to return to Vermont where I grew up and to get paid less. I also chose not to have children because I could not see how to afford it given my income. I have gone into debt to advance my education to a Masters of Science degree and live in a 900sf condo because I can't afford anything else on my salary.

Like my peers in public service, I have made endless sacrifices for the greater good of Vermonters, financially, personally, and professionally. I have made choices to serve Vermonters at a cost, because I care about the well-being of our land and water.

And yet now, it appears naively, I thought my sacrifices and my hard work would come to an end when I am 65 and rest and enjoy my senior years. This proposal will make that impossible. Instead, I would have to work well into my 80s. Picture yourself trying to make the world a better place only to be betrayed and disrespected for your efforts by having your pension basically taken away.

In my eyes, state employees and educators did nothing wrong. We did everything right. We paid into the system as we were told to do, with no choice in the matter. It was the state, those who make the decisions, who betrayed us and breached the contract. We held up our end of the bargain. Now it is time for the State to take a step back and do the same.

I recognize that this is a very complex issue and cannot be solved in a single night. That is why this plan is a shameful mark on our noble state history of progressive and meaningful legislation.

This issue needs to be addressed with an economic analysis, input of qualified working groups, and alternative revenue sources. It is time for the state to fulfill its obligation to the public servants who give so much of themselves, who make sacrifices for the greater good, who take abuse from detractors, who work long hours with little thanks, who go above and beyond during a global pandemic. who can barely afford to live and work in Vermont because they are under compensated, who have sleepless nights because they worry about their students or how to fund a certain project. You get the idea.

Yes, I am angry. And hurt. But also hopeful that the outcry from my peers is not falling on deaf ears. Around 19,000 workers will be impacted by this decision. The largest workforce in the state. There is a better solution to this mess, and rather than rush this through Committee to get it passed before the end of session, why don't you do the jobs you were elected to do, and make a concerted and thoughtful effort?

I thank you for your time and for your service to Vermont.

Sincerely,  
Amy Alfieri  
State of Vermont Employee

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**From:** Martha Erickson <martha.erickson@mmuusd.org>  
**Sent:** Wednesday, March 31, 2021 8:53 PM  
**To:** Testimony  
**Subject:** My pension

Hello,

My name is Martha Erickson. I began teaching in 1993, took time off to raise my daughters and returned to the classroom. I now have 6 years until retirement. I have weathered the changes in how retirement is funded in Vermont, the rule of 90, paying more and more and more for healthcare while fighting for small percentage increases in every contract negotiated. I made plans for retirement expecting to rely on the money I have been paying into my fund. Now I am being told by the state that I will contribute more to my retirement, get less back, have to work 12 more years, and be okay with it. I'm not.

Last March teachers went home and taught virtually with 2 days notice. This year began with a hybrid system where we run from in person teaching to a back room to teach a virtual class. We did this. We are doing this. It is our job. Do yours. Find a way to protect teachers. The two male CEOs gushed about your proposal. Let their retirement be impacted. Tax the wealthy. Don't attack us. We certainly aren't in education to be wealthy. We are a profession that is 75% women in a world where women do not make the \$1 a man makes. Why are you so afraid to tax the wealthy?

My colleagues and I continue to do the Herculean task of teaching virtually, hybrid, in person, and stress over the mental health of students as we move into this second Covid school year. If you are asking teachers like me, with 6+ years still to go on their contracts, to teach until we are 67 it leads me to wonder if what you are actually looking for is the 50-60 year olds to retire early and take the penalty that comes with this.

This proposal is a slap in the face. Do better. We are exhausted. We are stressed. Shame on you for going public with this proposal.

Martha Erickson

PS When my daughters went to college my husband and I refused to pay their tuition if they chose to get degrees in education. I can't be more happy with that decision. I can't imagine if when I began teaching that I would be willing to accept the contract if my first career at 24 to tell me that I had to work for 43 years to retire. Shame on you.

Martha Erickson MEd  
Browns River Middle School

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**From:** Kimberly Laidlaw <kimberly.laidlaw@lsuu.org>  
**Sent:** Wednesday, March 31, 2021 4:51 PM  
**To:** Testimony

The testimony below is what I prepared for the live meeting on Monday, March 22, but did not have a chance to present because time ran out. I have shared my family's personal story and the wrecking-ball-like ramifications the current bill would have on us. Below is an addendum to that testimony that I would like to add.

My name is Kim Laidlaw, and I have taught for 20 years at Peoples Academy High School in Morrisville, Vermont. Thank you for your service to Vermonters.

The information I am going to quote comes from the VTDigger article, “**Who’s to blame for the crushing burden of Vermont’s retired teachers’ pension fund?**” by [Colin Meyn](#).

Twenty-six years ago, Governor Howard Dean convinced the members of the Vermont House and Senate to underfund the teachers' pension by approximately \$7 million and to use the money to fund other programs - programs that on the whole benefited ALL Vermonters.

The state auditor at the time, Ed Flanagan, warned the then House leader, Mike Obuchowski, that this decision was “fiscally unsound” and that it amounted to “...a kind of camouflaged deficit spending because the state must eventually cure the funding deficiency.”

The governor and the legislators at that time decided to short the fund anyway, and then they continued to do it for the next 10 years.

And Obuchowski is quoted as saying, “...the political calculation was straightforward. “There was a sense that there were bigger needs than paying an annuity.”

As a teacher who has based my family’s entire financial future on the pension promises that have been made to me, I feel sick to my stomach when I read those words.

The pension fund is not short because of our state’s teachers. The pension fund is an issue because legislature after legislature knowingly took our money **took our money and used it for other things**. And while those things might have been worthy, and needed, the word for the act of borrowing something and not paying it back is “stealing.” Those governors and those legislators stole from my future and my children’s future. And now, because our current legislators know that raising taxes is never popular, and you are apparently afraid of Governor Phil Scott's veto, your proposed solution is to say that you need to break your promises to us, and that we alone need to sacrifice. But we have already paid. Instead of writing a bill that destroys the financial futures and plans of our state's teacher, why aren't you working to write a bill that enough of our legislators can support and override the veto?

The current bill is a bait and switch of colossal proportions. It will cause irreparable financial harm to many teachers and our families, and it will also hurt our schools and our communities. Many teachers who are burned out and just tired will be forced, for financial reasons, to keep teaching long after they have the energy for it. There will be fewer teaching positions for recently graduated educators, because there will be much less turnover. And so many of those young, talented teachers with their young families will leave Vermont, and their children will leave Vermont’s schools, because they will need to find jobs elsewhere.

But the biggest reason that it is so hurtful... is because it feels like I was lied to. For 20 years. About something that directly and profoundly impacts my and my children's future, and upon which I have structured every financial decision I have made for me and for my family for the past 20 years. And being lied to always feels awful. So as my Representatives, I insist that you keep your word to me, and that you honor the contract you have with me. I insist that you keep your promise.

Write a bill that respects the honor with which our states' teachers have conducted themselves. Write a bill that includes a realistic, dedicated funding source for the pension funds. Write a bill that takes advantage of this literally once-in-a-lifetime opportunity to leverage the \$1.2 BILLION dollars that Vermont is receiving from the CARES act. You robbed Peter to pay Paul for decades and used OUR money to do it. Pay back what you took from us. We have already paid our share.

Sincerely,

Kim Laidlaw, Teacher

Fayston, VT

**From:** Jackie Stoner <jackie.stoner@mnuusd.org>  
**Sent:** Wednesday, March 31, 2021 4:00 PM  
**To:** Testimony  
**Subject:** protect pensions, fight for Vermont's future

To Whom It May Concern:

I am writing to implore you to NOT dismantle teacher's ability to retire with dignity. It is unfair to place the burden of mismanaged pensions on teachers' futures and that of their families. Concessions have already been made. Be mindful that teachers are the backbone of a stable society. Without the hard work of teachers, tireless, professional, empathetic, and dedicated, I fear for the future. Please invest in rectifying the state of mismanaged pension funds to not further impact this essential workforce for the future of our state. Anything less will jeopardize Vermont's financial growth and ability to attract teachers and families to reside and work in this state for the years to come. Weakening the pension weakens Vermont's future!! Seek alternative means to make these long-overdue reparations to the pension. Choose wisely for those deserving teachers who have invested in their family's future through donating to the pension fund, but also acknowledging their mark in making the world better through their thoughtful work with Vermont's students and families.

Respectfully submitted,

Jacqueline Costello Stoner  
Underhill, Vermont

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**From:** Robin Clokey <robin.clokey@mmuusd.org>  
**Sent:** Wednesday, March 31, 2021 3:18 PM  
**To:** Testimony  
**Subject:** Teachers Deserve Better

March 26, 2021

Dear Members of the House Governmental Operations Committee ,

I am writing this letter to share my concern with the way the State is considering solving the pension funding issue. It is appalling to me that many of the ideas to solve this underfunded pension plan are being placed on the backs of teachers and others. It is clear that this fund has been mismanaged for years. It is not the teacher's fault. We have done our part and faithfully contributed this entire time with the expectation that money would be there for us when we chose to retire. I am so sorry I ever voted for Beth Pearce for State Treasurer. She will never get my vote again.

Of all the ideas that are being considered, I do agree with increasing the number of years of service in order to be vested in the system from 5 to 10 years. To me, that is a reasonable request. What is unreasonable is raising the age to receive full benefits to age 67. Have you ever worked in a school system? I am a middle school teacher, and the thought of working until I am 67, causes me stress. Currently, I am slated to work until age 64 and that seems reasonable. Teaching is a very high stress job. Unless you have walked a day in our shoes, I am not sure you can fully understand (and I work in a wonderful school). It is not a job the typical person can do until they are almost 70. The needs of the students are increasing every year. I feel like I have aged 4 years in this last year, given all the demands that were placed on us due to the COVID pandemic. Instead of the State saying thank you for being so dedicated no matter what the circumstances, it feels like we are getting a slap in the face. I am happy to provide more details on this past year's experience in the schools if needed, but that is a full letter in itself.

What is also not acceptable to me is to raise our contributions, apply COLA to the first \$24,000 or increase the pension calculation to the final 7 years instead of 5. The state has mismanaged the funds up to this point. I have no desire to want to give the State more and get less. Maybe it is the State Treasurer's office that needs an overhaul. Look at them to fix this some other way, and not punish us.

The State just got a huge amount of money for COVID relief, please see if there is a way to manipulate that. I know it is not earmarked to support the pension fund, but I have heard it mentioned that it could fund other areas where you can move money around. Another option is to look to the wealthiest Vermonters, who often figure out a way to pay less than their share of taxes. Please think about what the State can do for us to keep its promise and not how much more the teachers can give!

People do not go into teaching for the money. They go into teaching because they have a passion to make a difference in the lives of children. Teaching is one of the most important jobs in the world. We impact every single person and are trying hard to create productive members of society in future generations. We should get paid right up there with doctors, nurses and other professions that we cannot live without, but we don't. The one thing we have had up until now, is benefits and a pension we thought we could rely on. That is a huge reason why you get so many qualified people that go into teaching. We should not have to work longer, pay more and get less!

I have worked 37 years as a teacher and I earned a slightly higher income than my daughter, who is a nurse, and just graduated college a year and half ago. I am happy for her and very sad for me. I have 3 years until I hope to retire. I think teaching for 40 years should be considered a career well done. It is something I am proud of. It is not a point where I want to be thinking about if I can afford to retire. I spent the last 12 years wondering if I can afford to pay my bills while putting my 3 kids through college. I am asking you to please find



another way to fund the teacher's pension without the teachers losing more. I appreciate all your efforts and look forward to seeing how this issue will be addressed going forward.

Respectfully submitted,  
Robin Clokey, M.Ed  
Mount Mansfield Union Unified Supervisory District

Robin Clokey, M.Ed  
Special Educator  
Browns River Middle School  
20 River Road  
Jericho, VT 05465  
802-899-3711  
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**From:** clamjam22 <clamjam22@gmail.com>  
**Sent:** Wednesday, March 31, 2021 2:52 PM  
**To:** Testimony  
**Subject:** Re: VT Pensions

Sounds like the fix is in.

> On Mar 24, 2021, at 15:31, clamjam22 <clamjam22@gmail.com> wrote:

>

> Dear General Assembly:

>

> I, Clancy DeSmet, am a vested member of the VT retirement system. I attended Vermont Law School, worked for the City of Montpelier, and for the State of Vermont as a District Environmental Coordinator for Act 250. I also served as a VSEA Council Member, and I'm astonished at the proposal on the table regarding VT pensions. Wages in VT are low, the cost of living is high, and in 2017 I left VT for better opportunities.

>

> And, I have a right to my pension, and it's really astonishing that the Democratic-led General Assembly is stealing money from the state workforce and retirees. Shameful. Who's side are you on? State employees who already have 30 years of service are retiring left and right, and now you want to increase employee contributions and remove COLA raises after we retire. Now we have to work longer! I'll ask again. Who's side are you on? Maybe I should rollover my pension into another system.

>

> The General Assembly has a duty to its people and its state employees.

>

> Sincerely,

>

> Clancy

>

> Clancy DeSmet

> 1326 Fernwood Drive

> McKinleyville, CA 95519

> 802 282 2106

**From:** David Shiffert <dshiffert@sbschools.net>  
**Sent:** Wednesday, March 31, 2021 11:26 AM  
**To:** Testimony; Jill Krowinski  
**Subject:** School districts will incur the cost of pension proposal

Dear representatives, I want you to hear an excerpt of a conversation between myself and two of my colleagues around this topic:

Me: "I started teaching at 34 years of age, so my retirement age was 67 anyway, under the Rule of Ninety."

Colleague 1: "I started teaching right out of college. My retirement age was 55!"

Colleague 2: "Me too. Wait, that means the district has to pay me another 12 years at the top of the salary scale. Between the two of us, that's...

OVER ONE MILLION DOLLARS (that the district will pay in extended salary and benefits)!"

Colleague 1: "I was going to follow my brother into professional fire fighting, but I chose teaching. He just told me that Massachusetts REWARDED emergency workers through their pension system for their service during the pandemic."

Me: "Seems like the new pension proposal is a disincentive for young teachers. Why would anybody choose to start teaching right out of college, if you have to work 45 years to get your retirement?"

Some short and long term predictions, should the current pension proposal be adopted in Vermont:

- I believe that college students considering a career in public education will now go elsewhere for their first job teaching, to pension-friendlier states.
- I believe that the beginning-of-career age of teachers in Vermont will see a pendulum swing, first towards younger teachers in the short term, as colleagues like mine in their 40s and 50s leave the system to pursue other work. In the longer term, the median age of starting teachers will likely swing closer to 40 years of age, as fewer college graduates choose to teach in Vermont.
- I believe that school budgets will increase significantly due to this proposal, due to prolonged careers at the top of the salary scale.
- I believe that taxpayer support for schools will decrease due to the cost of paying older teachers, and teacher strikes over salary and benefits will grow.
- I believe that school districts will be challenged to hire qualified young teachers
- I believe that school districts will be challenged to hire qualified older teachers

David Shiffert (he, him)  
Spanish Teacher, South Burlington High School

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Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).  
Revised by mandate of the USDA dated March 24th, 2014.

**From:** sheilab@gmavt.net  
**Sent:** Wednesday, March 31, 2021 9:15 AM  
**To:** Testimony  
**Subject:** Ideas

Good Morning,

Just wanted to personally email my concerns for myself and my colleagues concerning the proposed 'gutting' of our pensions. We have chosen teaching because of a dedication of wanting the youth of Vermont to be blessed in receiving a strong quality educational foundation. Teachers have endured much in a profession that has been maligned, not respected by many and begrudged compensation.

We teach for the love of teaching and not for the money. We have also endured assaults on our health insurance. Once again by forcing teachers to stay in the profession longer, it will be a burden on districts as they will pay higher salaries longer and that hurts the people that pay the most—the working class.

We taught during a pandemic as front-line workers and I felt like our lives were expendable. People have found out through homeschooling that teaching is not an easy profession in today's society.

As a result of these negatives there is a teacher shortage, people are leaving Vermont as it is not the place to raise a family, morale is at an all-time low as a result of the one positive that is on the table to totally destroy teachers. We faithfully paid into a fund that OUR state had promised to deliver. You are in effect using the state's teachers and state workers as expendable objects with no regard for their well-being as human beings.

We did not create this problem, we are being cheated for trusting the system, betrayed as you are changing the rules mid-stream. We are talking about people's lives—DO YOU CARE!?! Women in many households are the single income provider and you are looking to destroy their retirement and families! Don't be like so many politicians and cater to the wealthy.

**We did not break the system--you need to find a way to fund our pensions that we have paid our hard-earned money into over the years without killing trusted and loyal professionals that educate the youth of Vermont!**

**A few thoughts on possible fixes—**

**taxing sports gambling (should be allowed to create funding)**  
**taxing cannabis sales (state needs to control this business)**  
**elevating taxes on second homes**  
**opening a casino in the state (it will not bring in the 'wrong' kind)**  
**raising taxes on the wealthy—above \$500,000**

**Take time to find a solution rather than executing a 'knee jerk' reaction.**

A veteran VT teacher,

Sheila Burleigh

Good afternoon Representatives,

I am writing to you a third time about the teacher pensions. The first letter was to connect with my representatives to make sure they were aware that the decisions being made had impacts on the people that they were elected to represent. I wrote it as a precaution to do my part, and I sent it in the mail as well as by email feeling confident that this proposal would not gain traction.

Later, I listened as Secretary of Treasury Beth Pierce spoke with the VT-NEA and I empathized with the need for a solution to this financial crisis. I read and listened to all that I could about the size of the deficit, the millions in unfunded liability, and I worked to understand the challenges our representatives faced. When the open hearings started I once again wrote a letter, thinking that the piece our representatives were missing was the impact this would have on state employees. The human element of the equation. I wrote an eloquent letter that put faces to the issue, the employees and families that would be impacted by this proposal, and I listened to hours of testimony. You did as well, as testimony after testimony exposed the impact of this plan on families in Vermont. I thought, surely the issue cannot be that you cannot empathize with the citizens for whom this would have an enormous impact.

So I must be missing something for you to move forward and still be seriously considering this proposal. You must have an iron clad reason why resolving the lack of funding must come out of the retirement paychecks of your state employees. There must be a reason to balance the equation- harming the financial security of thousands of hardworking Vermonters must come with some redeeming balance. Tell me what makes this worth it.

I've thought about it. A lot. And I've come to my conclusion. I was overthinking this, and when in doubt it is best to consider Occam's razor- the simplest solution is the one best applied. Our Representatives aren't considering the full equation. They're not evaluating this Pension proposal with all of the information that they have available to them. Our representatives are considering making a tremendous mistake that has long term implications for the future of Vermont, and they are simply not aware or not willing to consider the consequences of their actions, all for the short term benefit of covering their stock liability.

So, let me help you understand the costs that need to be a part of your pension proposal. The opportunity costs that are not being considered from the perspective of a teacher, though many of these factors also apply for the other state employees affected by the proposal:

1. An increase in payments and a decrease in payout will result in the immediate decrease of teachers willing to enter the profession in Vermont, contributing to the brain drain of young, educated Vermonters.
2. Teachers that could retire within 5 years, but considered working longer, will retire earlier to squeak under the deadline and retire with their full COLA and payments intact. This will contribute to the shortage of teachers in the state.
3. Teachers that are able to retire under the rule of 90 will leave the profession, and finish their careers in the private sector, drawing a full pension, while not contributing to our schools.

4. Younger teachers will leave the state in order to work in neighboring NY, MA, that offer more competitive salaries and benefits, making it more difficult to replace the exodus of staff.
5. As teachers leave, so will families- that middle class population that contributes so significantly to the Vermont economy, reducing the middle class in Vermont and leading to a greater income gap.
6. Teachers facing a decrease in wages will lose income. With an estimated 75% of teachers identifying as women, this will significantly hurt the ratio of income as it relates to gender in our state.
7. Teaching positions will become harder to fill, and constant training of new staff will make schools and offices more expensive and inefficient. Institutional knowledge will evaporate, stressing the system even further.
8. Working teachers will face a shifting finish line for retirement which will lead to an increase in sick days used as school's become much older. Flu seasons/colds will have the potential to cause mass-call outs as older teachers with compromised immune systems are hit by seasonal illnesses. This is an additional cost that districts will need to bear.
9. Teacher burnout will become far more common, as discouraged teachers feel forced to work for years longer than planned feel cheated by the state. Tenured teachers have limited incentive to burn the midnight oil and provide high quality instruction when they are being told by their representatives that their work is not being valued. This will also lead to a decrease in school effectiveness, crippling Vermont's future generations
10. Professionals facing a moving finish line will be forced to work longer at the top of their pay scale, making it more expensive for the state and their communities to pay their salary.
11. For teachers, the school budget is paid in part by local property taxes, in order to fund the top heavy salaries local property taxes will go up or teacher positions will need to be cut, making schools either too expensive or understaffed.
12. As schools get more expensive due to the higher salaries, fewer extracurriculars will be able to be offered, and support staff positions will need to be cut, making schools less effective and less appealing to families moving in from out of state.
13. As property taxes increase to pay for the top heavy teacher salaries, families will be priced out of living in Vermont at the same time that fewer families are willing to move in.
14. As Chittenden county teaching jobs become more competitive due to the higher salaries comparative to the rest of Vermont. Better teachers will go there, and those most impacted will be the rural school in Vermont, ensuring a cycle of poverty for low income, rural families. Small, rural towns will be the most impacted by this, as costly and widely unpopular school consolidations will become more necessary.
15. Teachers working in Chittenden county, but unable to live there, will lead to increased traffic on VT's fragile highway system. Emissions will increase as Vermonters commute further, and costly infrastructure projects will become

necessary to keep up with the traffic increase. Note, this traffic is not bringing business, it's not stopping at the stores or aiding the local economy.

16. As local property values increase, and residents are forced out, retail businesses that are already competing with a drop in consumers as a result of COVID closures and competition with online retailers will find themselves with fewer reasons to stay.
17. As property values and taxes increase, larger businesses that can operate remotely will move across the lake to NY, where property values are low, and energy prices are among the cheapest in the nation. (ie. Cox automotive).

These are not dystopian futures, they are the all but certain outcomes as a direct result of moving forward with this proposal.

Maybe these factors have already been considered. Maybe there is a rationale that explains how our government is prepared to address the fallout of their decisions. Maybe this is all a game to show how unpopular the proposal is, and to rally support against it. There are a lot of maybe's, but even proposing this legislation is reflective of a legislative body that is not paying attention to its constituents.

The Vermont legislature has already mismanaged the pension fund through years of fiscal irresponsibility, what is to say that these funds taken out of the pockets of Vermont state workers will fare any better? Why should voters think that this time the legislature knows what it's doing, when so many questions are not being clearly addressed?

Why is the 3% tax on Vermonters earning over \$500,000 not being considered? Why is a tax on second homes not being considered? (This could also ease the housing bottleneck in Chittenden county and aid the growth of Vermont's middle class). Why is a tax on legalized cannabis not being considered as a solution to the pension crisis?

As the House determines our future income, are teachers really expected to hand over a greater portion of our paychecks and sacrifice our retirements, and trust you to preserve a fund that has been so woefully managed in that past that it is now resorted to cannibalizing the only ones that are consistently paying into the system? If for no other reason, this pension proposal must be dismissed for the sole reason that this sets a precedent that cannot continue.

I hope you come to your senses, but I can't say I will be surprised if you don't. You're losing your support by taking from those that elected you into office, and if you vote for this proposal you're going to lose your position in the House as well. The fact that this proposal has even made it this far is losing you the respect of the citizens that you represent, and going to cost you votes in the next election.

When you sit back in your retirement, be in the next election or 30 years in the future, and you look at the Vermont you had the duty to govern, I hope you are happy with what you see. A Vermont, and Chittenden country in particular, that has poorly performing schools, high property



values, and a lack of employment opportunities. A Vermont that pushed out generational families, then priced out the middle class. That is a bubble that will pop, and when property values eventually decrease and our transplant neighbors from MA, NY, and CT move once again, the decimation of our community will be complete. Those are the consequences of your plan. That is the cost that needs to be considered.

Or maybe like many of us, you will end up being forced out of the state to retire in dignity.

Ryan Wood  
Newfane, VT 05345  
802-498-8603  
Ryan.Wood@Vermont.Gov  
March 27th, 2021

House Government Operations Committee  
115 State Street  
Montpelier, VT 05633  
testimony@leg.state.vt.us

Dear House Government Operations Committee:

I am a 7<sup>th</sup> generation Vermonter and currently employed as Sergeant with the Vermont State Police, and I am writing to express my concern about the recent proposal to significantly alter the Vermont State Employee Pension. I understand that this is only a proposal and the decision is being considered to solve a growing pension issue that cannot be ignored.

However, I do not believe that the benefits of drastic cuts to the entire system outweigh the likely and surely unintended causes made by them. Consider: that policing throughout the country has suffered a massive decrease of interest of new, qualified applicants. That Vermont faces stiff competition from neighboring Local, State and Federal agencies that routinely recruit away talented Vermont Troopers. MA, NH, and NY all offer higher pay and comparable, if not better pension's as ours stands currently. The pension plan for Troopers is one of the only strongholds that kept the agency competitive and encouraged applicants to chose Vermont over other states, despite equal or higher pay elsewhere. I fear that without that pension to offer, the future of the Vermont State Police is bleak, uncertain, and reaching a point of crisis – which effects the safety of all Vermonters.

Growing up, I didn't come from much and I unfortunately experienced my parents losing their jobs and home in the crisis of 2008. I saw what that did to them not only in the moment, feeling that they had let each other and their children down. But I see it now, when they struggle to get out of debt, pay their bills, and worry about their unsecure future that will most likely involve them working in some capacity forever. I feared following in

their footsteps and I promised myself that I would work hard to secure a stable financial future for myself and my hopes for a family.

After graduating college in Massachusetts and beginning work in that State, I met my now wife and began a journey with her that I could never have expected. That journey included moving back to Vermont, where multiple generations of our family before us were born and raised. Beginning a career with the Vermont State Police in 2012, purchasing our first home together in Newfane in 2015 and adding two wonderful children to our family in 2017 and 2020. Nine years later, as I approached my midway point to a promised 20-year pension, I finally felt as though things in my life were secure. I found it easier to sleep at night, without those constant worries of my family's future, or working to an unhealthy age - beyond normal retirement in a career that has a life expectancy well under the national average - 57 years old, 22 years less than average. That is, until Wednesday March 24th, 2021 when I became aware of the House Government Operation Committee's proposal. Fear, anxiety and hopelessness has re-entered my life as I feel my parents' fate is slowly becoming mine.

Given my age of 34, I am not given a large window to begin a new career in many State Police agencies that have a hiring cutoff age of 35. As the only working adult in my household, I am forced to make hard decisions to continue to provide for my family, effectively plan for retirement, and reduce stress and anxiety in our household stemming from new financial concerns.

If this proposal, or anything close to it were to pass, I can not afford to stay an employee with the State of Vermont. As it stands, I have begun the application process with neighboring States to hedge my bets and get into the hiring process before I "age out". Financially I would be significantly better off leaving the Vermont State Police now under the current retirement system and beginning a new career elsewhere - such as Massachusetts, where the pay is higher, and the pension is better. This is not a choice made out of desire, but out of a necessity to provide for myself and my family.

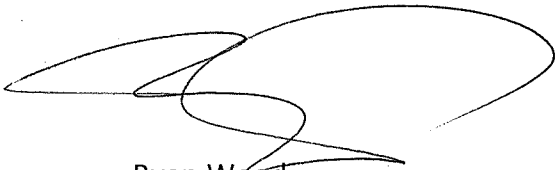
Please strongly consider the financial impacts this proposal has on current employees and the long term impacts it will have on recruitment and retention of qualified applicants for the State. Additionally, consider the ripple effect of those employees and their families uprooting and going elsewhere. The impact is not just one person leaving the workforce. We would be selling our home and moving out of State, seeking out of state employment, and spending our money elsewhere. Our children and grandchildren will not become future

generations of Vermonters, but instead grow up somewhere else. Where the other similar families go, the negative word of this State and its issues will only spread. When once I found myself a strong advocate for working in Vermont and this agency, recommending, and recruiting others, I cannot in good faith recommend it to others and their families at this time.

I implore you to seek other means of funding these gaps – to include more money provided by the State and Federal Government, as well as a tax that more fairly spreads the burden of this issue amongst all Vermonters. Vermonters that benefited from the allocation of funds being diverted away from the pension funds 30 years ago. The answer is not to tax a small group of hard-working state employees that have sacrificed benefits and wages over the years while still paying their agreed upon rates.

I look forward to your response and future recommendations on this situation. If you wish to speak further about this issue, how it is impacting my family and others, I invite you to join me at any of the wonderful establishments in Newfane, the town that we love. The first round is on me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan Wood', with a large, sweeping flourish that loops back to the left.

Ryan Wood

Enclosure: The Wood Family

Dear Representative Copeland-Hanzas and Speaker Krowinski,

I appreciate your decision to slow down and study all possible solutions. In that spirit, I encourage the following be considered, in addition to the suggestions to the House Ops Committee I sent last week (reattached here):

- a buy-out incentive for employees at the top of the step system who are close to retirement
- reconstitution of the investment committee that oversees investment of state pension contributions, adoption of benchmarks for satisfactory investment management, and consequences for failing to meet them
- increased employee contributions
- significant one time infusion of federal relief funds, much higher than initially proposed
- increased state contributions over next 5-10 years to compensate for deficit, perhaps funded with a special tax

Thank you again for your work on this difficult matter.

Sincerely,

Anne Bordonaro

To: House Government Operations Committee April 12, 2021

My comments below are on the most recent governance proposal. It doesn't seem to have a typical house bill number, just 21-0967 and as of today posted in two pieces. You should review the comments and testimony from VTNEA, VSEA, VTA, and the judiciary carefully, as well as that from Jeff Briggs and the governance items in the Hooper/Anthony/Vyhofsky proposal. I made comments on governance last month on the earlier governance change proposal and will just reiterate here that changing VPIC drastically right now based on things that happened years ago will not immediately fix anything about the pension fund. It could distract from the tasks of immediately getting more money into the pension investments and having the task force be successful including having the full attention and rapid technical support of VPIC and Treasurer's office staff.

A slightly larger VPIC board may be helpful, but needs a balance of employees and non-employees. There has been no evidence that the current pension problems were caused by employee members of VPIC. There was deliberate underfunding of the teachers' plan. There were poor investment choices that the financial professionals did not correct until recently – but those changes have been made. Reducing the relative voice of state employees and teachers on VPIC and the task force at this time will not suddenly reduce the unfunded liability estimate, but it will undermine this process now and for years to come. There absolutely must be ways for the general public representing all sorts of interests to submit comments, but that is not the same as the VPIC and task force membership.

The task force should organize very soon to get started, but have a longer timeline to allow for public input and to be able to get professional reports from actuaries and other specialists. There should be intermediate deadlines to guide the work and to create drafts to which the public can respond in comments and hearings. You've spent three months discussing this issue and because of the extreme, clumsy proposal made by few legislators without even incorporating what the whole committee had already discussed, nothing has gotten better for the pension system. Give the task force time to do this correctly and openly this time. Provide the short-term funds for independent facilitators and technical support staff for running public meetings and running scenarios.

522 (b) Training has that "Members of the Committee shall be required to participate in ...training ... as directed by the Committee." Shouldn't the training requirement be based on this legislation, or set policies of the committee based on best practices, rather than changing with the committee over time?

522 (c)(3) says terms will turn over on July 1. Section 2 on page 11 says new members will be appointed July 1, 2021. The effective date at the end is upon passage. Are you really intending to make major changes to VPIC membership on July 1, 2021, while the task force is just beginning its work? And while per Sec 3 (a) VPIC will have just hired someone to do a third-party review of their practices which will not be submitted until January 15, 2022?

The powers and duties are still not clearly defined, and as written, the task force will spend a lot of time figuring out what they are to do, and what is outside their scope. Is the task force not to make any governance recommendations?

The first task in (c)(1) is to set “a pension stabilization target number”. I don’t understand how anything about a pension system is a single number. It is a combination of estimates at points in time and projections across time and only makes sense in relative terms of assets and liabilities. Should this be a percent change in something, a change in a rate of something, a ratio, a percentage?

If (c)(1)(A) and (c)(1)(B) are each a specific number based on a 2020 document, just give the numbers, not the word problems. The point is to give specific instructions to the task force.

For (c)(3), are the “benchmarks” defined? Is this a reference to the calculations/numbers above? Is it a reference to arbitrary benchmarks from JFO listed in (e)(2)?

What are “adequate” benefits?

Are any benefit changes off the table? Can you narrow the task force’s scope in some useful way so they do not repeat the unacceptable benefit change proposals that derailed this whole improvement process?

Sec 4 471 and beyond refers to a single “Retirement Board” which is unclear versus the multiple retirement boards. Sec 6 1942 refers to a single “System” but the actuarial calculations and benefit structure vary across plans and groups within plans.

Sec 10 (d) Stakeholder input needs to have “should” replaced with “must” or “shall” and with more specific mechanisms for both written comments to a public record and public hearings. As I mentioned above, the task force should have intermediate draft deadlines with public comment periods. “Stakeholders” is completely undefined here and ought to be replaced with “Public.” This pension plan affects public employees and all state taxpayers, so you should not go into public comment with a limited number of stakeholder groups in mind.

From watching the hearings, I have grown weary of assumptions that there are not a handful of state employees willing to serve on VPIC or the task force who would make valuable contributions. State employees do massive amounts of budgeting, planning, data analysis, and reporting as part of their jobs and in volunteer work. They hire consultants to work for the state on special projects. They facilitate meetings on controversial and complex topics. Many of us have extra training in Continuous Improvement and Lean Government to improve citizen service and save the state money. Many state employees have learned a tremendous amount about pension management in only three months – just like the members of this committee who, regardless of their prior expertise in pensions or state government, have the power to vote on our pension governance and benefits.

Rep. Gannon chose to attack VSEA President Towne over whether she rejected the findings of the Boston College Center for Retirement Research study. This was a weirdly aggressive line of questioning, especially since, as others pointed out in prior hearings, the original governance proposal didn't follow that study's recommendations either, e.g., huge committee size. Whoever wrote that proposal must not have fully liked that study either. My M.S. was in Ecology, which deals with complicated models of simultaneous processes, which are often tested via statistics. As such, I took years of statistics in graduate school, but I don't need to dust off my graduate textbooks to understand  $r^2$  and p values, I learned those in high school. That Boston College brief on the committee website included a model based on an index based on matching to what they had already decided were best practices. Note they show no graphs of investment performance as a function of their new index or its individual components, which seems odd. The model has an overall  $r^2$  of 0.07 (closer to 1.00 is better) and p for their "board effectiveness" metric of 0.14 (under 0.05 is usually the goal). Their hypothesis was not statistically significant, the model explains almost none of the variance in results, it's not a meta-analysis, it's not even a comprehensive literature review, it reads like an opinion piece hoping no one reads the footnotes. Perhaps that's because it's not a peer-reviewed publication. So as some witnesses have said when asked by several committee members, financial experts can have blind spots and not question other experts, while state employees may ask reasonable questions.

Sincerely,

Amy Galford  
Barre City resident and state employee



3/20/21

Re: H. 119

To Whom It May Concern:

The current proposal under consideration is an unjust and predatory solution to the pension problem. The tax surcharge on the wealthiest Vermonters would be a much more reasonable alternative. This proposal erodes the stability of many of Vermont's workers, in a time where we're already working harder than ever with fewer resources, while at the same time dealing with the stresses of the pandemic.

The way the state is mistreating state and school workers is going to lead to a staffing shortage in the coming few years, and that will be disastrous for Vermont's economy as well as its schools and state programs. As a current substitute teacher, and as the daughter of teachers (fortunately both retired before this debacle), I know teaching is hard, underfunded and underpaid work. It is rewarding work to be in the classroom, and I have been considering getting my teaching license this year for that reason, but this action by the state is making me seriously re-examine whether that's a good idea. I know I'm not the only one thinking that way. Many of my teacher friends are considering leaving Vermont, retiring early, or changing careers because of this proposal.

If you go through with this, you will be shooting yourself in the foot in the coming years, as well as the rest of us. If you're considering this terrible option because you're worried about a veto of anything more reasonable, I would suggest working with your colleagues to come up with enough votes to overturn it. Don't rush to push through a bad long-term solution, when you can consider more carefully with a little more time to come up with a better one.

Thank you for your consideration of my comments.

Sincerely,

Rachel Cosgrove

The Honorable Marcia L. Gardner, M.S.A.  
2290 Hinesburg Rd,  
Richmond, VT 05477

March 31, 2021

House Committee on Government Operations  
115 State Street  
Montpelier, VT 05633-5301

Dear Committee Members,

I am writing today with some thoughts on the proposed changes and cuts to the Vermont State employees' and teachers' pension plans. I served the State of Vermont for twenty-three years, first as an exempt employee for nineteen years, and then as a State legislator on this committee for four.

As you look to fill the gap in the state's retirement funds, please keep in mind that this is not a new discussion. The debate over whether the retirements should follow the defined benefit plan or defined contribution plan has been going on since I was a new employee. As an exempt employee, I was offered the choice between the two, and because I already had a personal IRA, I chose the defined benefit plan. I wanted a strategy that I could count on – a fixed income on which I could base my retirement budget. In hindsight, I am so thankful I made this decision, as those who felt they could invest more wisely than the State suffered the nearly catastrophic market downturns of 2001 and 2008. The retirements of these people will probably not last them through their lifetimes.

Retirement, as explained by Treasurer Pearce many times, is a three-legged stool. To have a secure retirement requires Social Security, a retirement plan, and personal savings. Those who do not have these often find themselves falling into poverty and relying on food stamps, heating assistance, and rental support. So, we can fund the retirements now and allow these people who have worked so hard for us to live with dignity, or we can force them to beg for assistance. We can pay them now, or we can pay them later, but we are going to pay for them.

The majority of teachers and state employees are women. As we cut their benefits, we discriminate, once again, against women in the workforce. And as we cut retirement benefits, we discriminate against our older Vermonters and future older Vermonters.

I was not a classified employee, but I watched as the VSEA negotiated the Pay Act every two years. It seemed that with every negotiation, the employees gave up something – they lost a health benefit, or the price of insurance went up, or they gave up a vacation day. The Administration has rarely, if ever, said it had the money to fully fund the Pay Act. State jobs are not known for their high pay, but they are attractive because of their benefits package. As these benefits are slowly whittled away, these jobs will become less and less attractive, and the State will have an increasingly hard time filling jobs with qualified people. The entire state is already having a difficult time finding the workforce it needs to fill the jobs that are available.

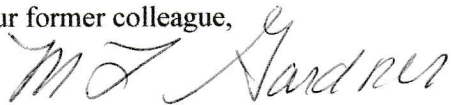
If the Legislature is searching for funding, you only need to look to the salaries of the State agency secretaries and commissioners. According to the Website Open Payrolls (<https://openpayrolls.com/rank/highest-paid-employees/vermont>) the average employee salary for the State of Vermont as of 2019 was \$55,931. Keep in mind that this is an average. If the outliers of salaries for law enforcement positions (Vermont State Police, Liquor Investigators, and Fish & Wildlife Wardens generally have higher salaries because they are required to retire at age 55) were removed from the

equation, this number would be significantly lower. This is 9.2 percent lower than the national average for government employees. In comparison, many agency secretaries and commissioners made nearly three times this amount, at close to \$140,000 per year (2019 numbers), plus their benefits package.

Finally, the State made a commitment to its employees and teachers. Unfortunately, due to underfunding and less-than-anticipated returns, the State now finds itself with a large hole in the retirement funds, similar to what happens when one frequently uses a credit card and only pays the minimum due. Eventually, the debt balloons. Does that mean that the user gets to negotiate the debt with the credit card companies? Probably not.

The State has an unexpected opportunity to fill a large portion of these retirement fund gaps. This, coupled with some moderate adjustments to the system, should get us to our goal of a reliable retirement benefit that is sustainable.

Your former colleague,

A handwritten signature in cursive script, appearing to read "M L Gardner".

The Honorable Marcia L. Gardner, M.S.A.

Dear members of the House Committee on Government Operations and legislators representing West Windsor.

My name is Jack Dugdale. I am an employee with the Vermont Agency of Transportation and I live in West Windsor. I am writing you to express my grave concerns regarding the proposed changes to the Vermont State Employee Retirement System. I am asking and imploring you to please vote against the proposed pension plan changes that have recently been presented in the report prepared by Chris Rupe. The proposed changes, are, in a word, callous. They are not only brutally damaging for individual state employees, but they are also harmful to state government and the effectiveness of state operations.

### **A. Why is this bad for employees?**

1. First and foremost, this proposal is financially crippling. I crunched some numbers. Person A and Person B both retire on January 1, 2021. Person A is under the old system, and Person B is under the proposed new system. They both retire after 30 years and make \$86,777.60 in their last year of work (which would be typical for an engineer after 30 years with the state). For the sake of simplicity, assume that both retire at age 67 and live for 20 more years, and the COLA is 1.5% every year (see attached spreadsheet for calculations).

Running the numbers, Person A will end up making about \$723,235, and Person B will make about \$543,071 during those 20 years, a difference of \$180,164 or fully 25% less money for Person B!! In order for Person B to make up the difference with Person A, they would need to save \$1,907.29 *extra* every single year for 30 years, assuming a 7% return on investment.

What makes this even more pernicious for Person B is that even with the COLA, their pension income (in real dollars) stays flat for the entire time because the COLA threshold itself never goes up. But that means that in inflation adjusted dollars, their pension in their final years is worth significantly less than it was to start with. And of course, in your last few years of life, you will tend to have many more health care related expenses, making a lower income even more painful.

To illustrate the damage inflation would cause, consider this - If you made \$42,000 every year (roughly what both Person A and Person B make in their first year of retirement), starting in 2001, by the time you got to 2020, that \$42,000 would only have the purchasing power that \$27,500 had in 2000. To put it differently, in order to have the same purchasing power in 2020 that you had in 2001, you would need to earn \$62,375 (source: <https://www.officialdata.org/us/inflation/2001?endYear=2020&amount=42000>). And so, the proposed pension changes would result in retirees making less inflation-adjusted money every single year as they age, just as their need for money increases.

Now imagine what that difference in retirement earnings means. Fewer purchases? A smaller house and less money paid in property taxes? Moving out of state where the cost of living is cheaper? Children having to pay more to support their parents, or parents being unable to help their children? Skipping or deferring needed health care? Dying sooner and in poorer health? The potential impacts are almost endless, and are universally negative, both for individual employees and for state and town tax revenues.

2. The proposal destroys employee morale, not only at work, but in personal lives as well. This change not only makes people more stressed about work, but about their future (or distinct lack thereof) as well. Much of the damage to morale has already been done. People are already angry and frustrated. The idea of working an extra 15 years for less money now and significantly less money after retirement (and that's assuming pensions aren't cut even further in the future) is absolutely crushing. This shows up at work, where people are moody and unmotivated, and at home, where people are already making or considering tough financial decisions that will impact the entire remainder of their life.

Additionally, because most positions (at least at VTrans) do not have a functional back-up, the state is immediately rehiring the people who retire as consultants doing exactly the same job they did previously, except for higher pay. So the state is paying them twice, once through the consulting firm, once with the pension. To be clear, I do not begrudge anyone for doing that, I would too if I were in their shoes. But it is demoralizing for those of us who are left behind to see the lucky few who have managed to retire in time make out so well, while those of us left behind may be screwed.

3. Employee pay charts are not designed for employees to work for 40+ years, and so people will see a significant hit to their earnings even before retirement. The step and grade pay system has 15 steps in it, with defined intervals between step increases. An employee who starts at step 1 and stays in the same job with no upgrades will reach step 15 after 24.5 years. After that point, their only pay increases will come from cost of living adjustments. Moving between jobs and getting upgrades may shorten that time period even further, to as little as 20 years. This 5 or 10 year period between your last step increase and retirement is already too long to go without a raise in my opinion, but to go 15 or even 20 years without an actual raise, which is what would happen under this proposal, is simply beyond absurd.

4. The proposal leaves employees in the lurch, with no way to make up the losses in retirement benefits. In what I can only assume was a failed attempt (see point B.1 below) to keep a large cadre of employees from retiring all at once before it takes effect, the proposal states that employees within 5 years of retirement will not be impacted. The unstated implication of that seems to be that somehow those people more than 5 years from retirement will be able to compensate for the lost pension income. But it doesn't work that way. Employees have spent years, often decades, planning their life and their retirement around the current pension system, under the apparently mistaken belief that the state would be there for them. They have spent that money, bought cars and houses, had families, all on the assumption that the state would provide a reasonable retirement for them. They can't get that money back now, not in 5 years, not in 20. And there is no earthly way that they can make up for the years or decades of lost compound interest and investment returns.

## **B. Why is this bad for the state?**

1. It will (and already has) cause the state to lose valuable, long serving employees who have irreplaceable institutional knowledge. State operations are incredibly reliant on institutional knowledge, and right now we are hemorrhaging exactly the people who have that knowledge as a result of this proposal. Anyone who possibly can retire is doing so, even if they have to buy time. In the last 6 weeks alone, I'm aware of 14 retirements just in the circle of

people I'm associated with. In a normal year, I hear of about 6, usually in December, not March.

Somewhat ironically, these are also the very people you do not want to leave if you want the pension to remain solvent. Every day that they work after 30 years, they are effectively working for half pay (when they leave, they would get 50% of their pay anyway) while also still contributing to the pension. By scaring them into retirement, you have already reduced contributions to the pension and increased withdrawals from it.

2. It will make hiring qualified applicants much more difficult. I cannot speak to other agencies or departments, but those of us in the engineering-related fields know that working for the state is *at least* a 20% pay cut vs. working in the private sector. The trade-off for that is job security and a pension in retirement. Right now, I would judge that trade as roughly equal. But reducing the benefit, making you work longer to get it, and sowing doubt about whether any pension at all will even exist when it is time to retire, will heavily tilt the scales to towards taking higher pay now.

For a 22 year old college graduate (at 27, I feel I can speak to their mindset) the idea of working for one employer for *45 years* (a career twice as long as their entire life to that point!) is just as overwhelming as the idea of building the Great Pyramid by themselves. To tell people "we'll pay you 20% less than the competition, and if you work for us for over half of your natural life, you might just get the remnants of a pension, assuming the legislature doesn't take it away" is not a recipe for attracting the best and brightest.

People may work for a few years to build their resume, but then they will move on, because working 45 years for an uncertain benefit is simply not realistic, or worth it. Maybe you see that as a feature, not a bug, because then they wouldn't draw a pension and thus save the fund money. But I see it as incredibly inefficient, because it takes years to train employees and to gain the knowledge and experience needed to work efficiently and effectively. Restarting from zero every few years with a new employee is just wasteful.

3. It will increase employee turnover, reducing the efficiency of operations. Making the pension less generous and harder to qualify for will make people less motivated to stay at the state long-term. If you had worked 20 years for an employer, and expected to retire in 10 more, and then were told no, it will really be 25 more years, would you want to stay? I think not.

For me personally, the uncertainty around the pension, and the fact that Social Security likely won't exist in 40 years, means that I feel compelled to save as though I will get neither. But I still have to pay into the pension. Which means I am contributing 6.65% pre-tax to the pension, another 10% pre-tax to my 457(b), and another 10% after tax to my Roth IRA, or, converting to all pre-tax, somewhere around 30% of my pre-tax income goes to retirement. As you can see, the idea of going to a private firm, making 20% more money, and only contributing say 20% to retirement (but actually saving more in absolute dollars), suddenly starts to look very appealing. It's going to look appealing to other people as well, and employee turnover will go up. As with B.2, that will require frequently re-hiring and re-training people for the same job, all without building the institutional knowledge needed to keep the system running smoothly.

4. It destroys employee trust in the system and in the legislature, leading to unhappy, dissatisfied, and less productive employees. If playing with the pension for existing employees

is on the table every time economic forecasts change or financial headwinds arise, if employees can't trust that promises will be kept and that their future is secure, why on Earth would any sane person commit to working for the state for their entire life? To be living and working in constant fear that your entire retirement prospects can change with no warning when the political winds shift is incredibly stressful. Moreover, if you as an employee feel that the state doesn't have your best interests in mind, that the legislature doesn't care, why would you do any more than the bare minimum required to get paid? That will reduce productivity and increase costs.

5. I suspect, but do not know, that the plan will cost the state as a whole more money than it saves. It seems to me that the question that generated this report was very narrowly framed, something along the lines of "what changes will close the pension funding gap while still technically offering a pension?" The problem is, not only does that question ignore the human impacts, but it also ignores the financial costs resulting from those impacts - increased turnover, increased training, increased recruitment budgets, decreased employee productivity, increased spending on consultants, possibly increased costs for wages to help attract new employees or retain current ones, and decreased spending by retirees (impacting both businesses and tax revenues). While I do not have the raw numbers necessary to calculate it, my gut feeling is that the cost of those impacts would likely equal or exceed the savings realized by not actually properly funding the pension.

While I realize that very few of those costs show up as a line item in the budget, and even when they do, they probably come from a different pot of money, I assure you that these costs are real and significant. I know the upfront sticker price of making up the pension deficit looks huge, but I firmly believe that reducing the benefits as proposed will cost just as much money in the long run.

### **C. Closing.**

In closing, the state of Vermont made a promise to every single person that they hired on the day that they hired them: "work for us for 30 years (or Rule of 87), and we will pay you this pre-defined amount as a pension." People, even those who aren't yet vested, have built their entire lives around that promise. To move the goalposts on us in the middle of the game, after we have upheld our end of the bargain, is blatantly immoral and unfair. We aren't asking for anything new, we aren't asking for extra benefits, we just want what we are owed, when we were promised it. We are real people, people whose lives will be severely impacted by this proposal, not merely dollar figures on a spreadsheet. **We signed a contract, and you made a promise to us. You need to keep that promise.**

Thank you,  
Jack Dugdale

Civil Engineer, Vermont Agency of Transportation  
Resident of West Windsor

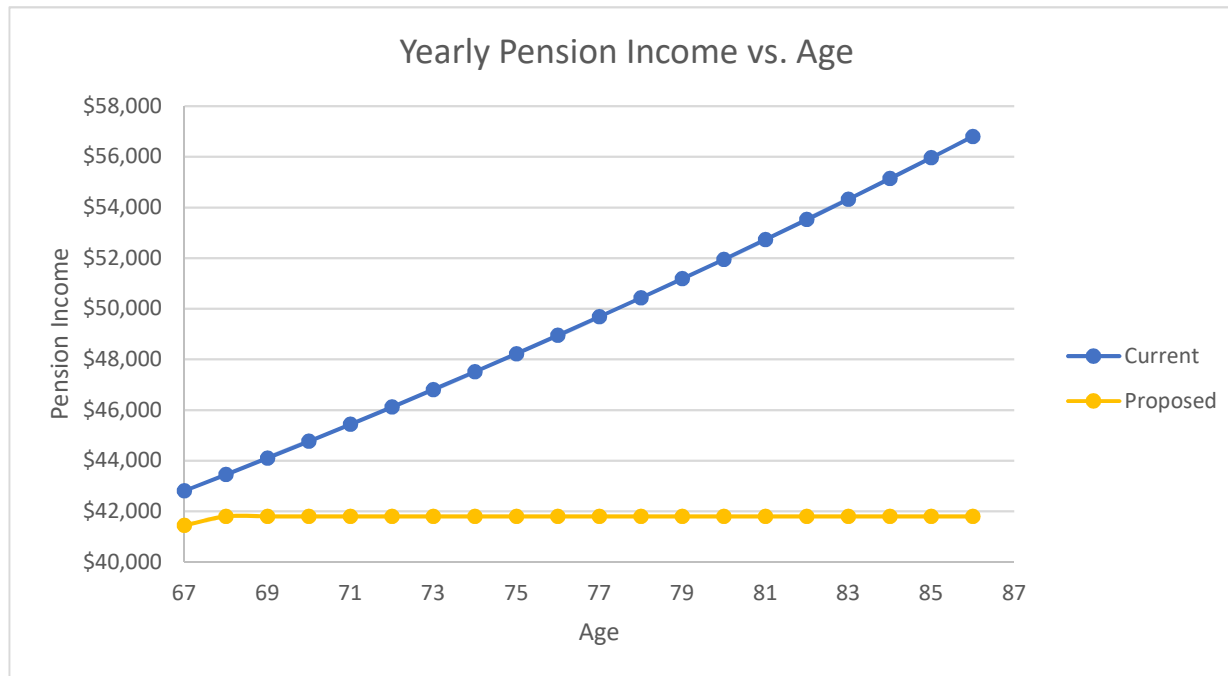
**Assumptions: Person in pay grade 25, step 15, retiring at age 67 after 30 years. Maxed out steps more than 7 years ago. Works 2080 hours/year, pay rates from DHR website. Assume a 1.5% COLA per year. Assume person survives to age 86 (20 years).**

Year	Pay	Age	Year	Person A: Current system, 50% of highest 3 years, 1.5% COLA on full amount	Person B: Retire at age 67, 50% of highest 7 years, 1.5% COLA on first \$24,000 only*
2014	\$77,977.60	67	2021	\$42,809.87	\$41,442.40
2015	\$80,007.20	68	2022	\$43,452.01	\$41,802.40
2016	\$81,806.40	69	2023	\$44,103.79	\$41,802.40
2017	\$83,543.20	70	2024	\$44,765.35	\$41,802.40
2018	\$84,468.80	71	2025	\$45,436.83	\$41,802.40
2019	\$85,612.80	72	2026	\$46,118.38	\$41,802.40
2020	\$86,777.60	73	2027	\$46,810.16	\$41,802.40
		74	2028	\$47,512.31	\$41,802.40
Highest 3 year avg.	\$85,619.73	75	2029	\$48,225.00	\$41,802.40
50% of highest 3 year avg.	<b>\$42,809.87</b>	76	2030	\$48,948.37	\$41,802.40
		77	2031	\$49,682.60	\$41,802.40
Highest 7 year avg.	\$82,884.80	78	2032	\$50,427.84	\$41,802.40
50% of highest 7 year avg.	<b>\$41,442.40</b>	79	2033	\$51,184.25	\$41,802.40
		80	2034	\$51,952.02	\$41,802.40
		81	2035	\$52,731.30	\$41,802.40
Annual savings needed		82	2036	\$53,522.27	\$41,802.40
over 30 years with 7% ROI	<b>\$1,907.29</b>	83	2037	\$54,325.10	\$41,802.40
to make up the pension		84	2038	\$55,139.98	\$41,802.40
difference:		85	2039	\$55,967.08	\$41,802.40
		86	2040	\$56,806.58	\$41,802.40
		<b>Total</b>		<b>\$723,234.86</b>	<b>\$543,071.20</b>
		<b>Difference from current</b>			<b>-\$180,163.66</b>

$$P = \frac{FV(r)}{(1+r)^n - 1}$$



\*Note: I initially thought that the proposal was that the COLA would apply to \$24,000 the first year, then adjust upwards with the inflation rate (i.e. for 1.5%, it would be \$24,000 the first year, then \$24,360 the next, then \$24,725.40, and so forth). But it appears that that only applies if the pension is 85% funded or better. Until then, it would apparently stay locked at \$24,000 multiplied by the inflation rate for that year (i.e. \$24,000 the first year, but then \$24,360 every year thereafter, assuming a constant 1.5% inflation rate) That is why the proposed line stays flat after the first year.



March 30, 2021

Members of the House Operations Committee,

I am writing today as testimony against the plan to break the pension promise made to Vermont State workers and educators. A grade 7-12 teacher myself, I am also a taxpayer, alumni of the school where I currently work, and a mother of two young children in that same school district. Needless to say, my family is fully invested in this community and its success. That is the reason why I am writing to you today.

Let's start with the impact on the broader community:

We all know that teachers do not make an incredibly high salary. Educators enter the workforce with debt in the form of school loans and must take courses each year in order to even maintain their current licensure, which itself costs money, every five years. Yes, the schools often provide some Professional Development funding but this rarely if ever covers all expenses. Over the past few years we have seen our paychecks dwindle as more and more is cut away toward our new (less affordable and less accessible) healthcare plans. In order to truly flourish as a working parent, a Vermont educator must climb to Masters level on the payscale by completing a second degree and taking on even more debt. Right now, we have educators looking past the lower starting salary here in our state because of quality of life and the promise of a decent pension plan to make up for the difference. If that promise is broken, we'll see young educators going to neighboring states like Connecticut and New York and lose a vital part of the workforce we've been trying so hard to attract here to Vermont for so long.

And quality of life will take a hit as well. How?

Our schools will no longer be receiving the regular injection of new ideas, vitality, and fresh energy that comes with the rotation of younger teachers. Instead, we will be keeping our teachers in the classroom for years longer than they can and want to be there. Above and beyond the vitality of our schools, we will also be pushing the financial burden of our senior staff's salaries onto our communities. Imagine full additional decades of teacher salaries at the highest level on the payscale. Many colleagues of mine will top out by the time they reach the current "Rule of 90". Imagine what happens if communities have to carry that financial burden for another 10 years and then multiply that by all of the senior staff in the school district. Can all of the schools in your county support that kind of budget increase? I know that ours can't. This will result in more teacher and resource cuts and subsequently, the quality of K-12 education in the state of Vermont plummets. Remember how young educators were leaving Vermont to seek jobs in neighboring states? Well, now so are families.

Let me take a moment to tell you a little about my personal story. As I mentioned, I am an alumni of Harwood Union High School where I currently teach and my children, now in grades 3 & 5, will also attend that school when they get older. My work and personal life are intimately intertwined, as is the case with many educators, and even more so as a community member and alumni. It became even more so a few years ago when we lost five of our students in a tragic car accident. That year, almost more than in our current COVID climate, we learned what was really important about school: relationships and the social-emotional needs of our students. That same year I lost my father to cancer and not too long after my mother moved in with us.

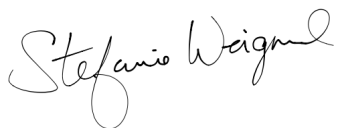
When planning for this school year, we struggled as a household, not sure how to properly protect my mother (a recent lung cancer survivor) while still being present for my students at a time when they clearly needed support. Unfortunately, the transition back to school did not go well for my own children whose anxiety took hold in a variety of ways. I am grateful for the ability to access school services for my 5th grade daughter in order to help her combat ongoing anxiety and depression which has at times affected her ability to participate in school activities. It is difficult to see your child too sad or nervous to get up in the morning and go to school. No kid should feel that way. I worry that should our community bear the increased financial burden of this pension decision, services like the ones my daughter needs now would no longer be available to her.

It is also important to note that I have made the decision to leave my job as a public school educator. I love my students and I love teaching. However, I cannot continue to work in a job where I am continuously disrespected, especially as I see my financial gains chipped away at year after year. My family's well-being and my own must be put first. So, after nine years at Harwood, I will say goodbye to my classroom. This does leave me in a precarious financial position, as all of my family's benefits have been provided by me in full, however we have been very diligent in our planning and research. This new pension plan makes a change that would potentially have a greatly negative impact on my family and retirement fund: that recipients would not be fully vetted until year 10. My colleagues and I do not see any kind of 'grandfather clause' in this plan and worry about those of us who have been doing our part to pay into our plans for years (in my case, 9).

If the committee does not see the unnecessary financial burden that this plan is placing on communities, let alone the emotional toll this broken promise is taking on Vermont State employees (many of whom have been deemed "essential workers" this past year, thus putting their own lives at risk every day) and K-12 educators (who literally changed the face of education in the matter of days last Spring by rewriting *all* of their curricula to fit into an online format, and then kept schools *open* this year despite a global pandemic) then you all have some serious soul-searching to do.

I do thank you all for your time and consideration. I know that this is not easy and that clearly there must be some solution to this incredibly complex issue. However, that solution is not to blame us, the recipients of these pensions. We've been doing our part for years, it's time for the government to clean up their mess.

Sincerely,

A handwritten signature in cursive script that reads "Stefanie Weigand". The signature is written in black ink and is positioned to the left of the typed name.

**Stefanie Weigand**

Harwood Union High School

ACDA Eastern Region Board Member

NAfME National Council for Choral Education

**Testimony re: pension reform proposal**

**3/29/21**

**Anne Bordonaro**

To the Committee on Government Operations,

As a long-time state employee, I emphatically disagree with most of the elements of the proposal to reform state employee's and teacher's pensions put forth by the Committee. While I agree that we urgently must address the unfunded liabilities of VT state employees and teachers, this is not the way to do it. The proposed changes punish teachers and state employees and side-step the legislature's responsibility for the situation.

Retirement benefits are among the most significant parts of the "package" considered by candidates, including myself, in deciding whether to accept an offer of state employment. The salaries of State of Vermont employees are relatively low compared to our counterparts in other New England states and in private industry. To a certain extent, SOV benefits including retirement compensate a bit for that. There is an implicit contract at hire that those benefits will not suddenly be reduced after hire. Furthermore, state employees and teachers have formed the backbone of Vermont's Covid response. For example, my role as Division Director of Federal & Education Support Programs at the Agency of Education has put me front and center of implementation of the various federal pandemic relief education and child nutrition assistance provided by DC. It is particularly cruel to implement such a punitive legislative response at this time.

The components of the proposal I most disagree with are:

1. Increasing the retirement age for *current* employees,
2. Determining the retirement benefit based on the ten, rather than three, highest earning years for *current* employees, and
3. Increasing the years required to be vested for *current* employees.

Components I could live with are:

4. Increasing the employee contribution, so long as other steps also are taken to significantly increase the state's contribution, and
5. Connecting cost-of-living increases for retirees to inflation.

All five of these changes could be implemented for *new* employees to consider in weighing an offer of employment.

The "can" has been kicked by the Legislature on this matter for too many years. I agree it must be addressed. But the outlines of the current proposal, particularly the three components I outlined above, represent a serious violation of good faith.

Thank you for consideration of this testimony.

Sincerely,

Anne Bordonaro, PhD  
Moretown, VT  
annewan@gmavt.net

My name is Vicky Lewis, I live in Derby Vt. I work for North Country Union High School. I am a member of our schools Wellness team providing Social/Emotional supports to our students

I am speaking today regarding the pension plan crisis our state has created for school and state employees as well as our state Governments fiduciary responsibility.

Our state government made a promise to us, a promise that the contributions made on our behalf would be well managed and would be there for our retirement.

The definition of a promise..... a declaration or ASSURANCE that one will do a particular thing or a particular thing will happen, a declaration that gives the person to whom it is made a right to expect or claim the performance or forbearance of a specified act.

Our state promised and we have the right to claim what was promised, our pensions, in the entirety in which it was promised.

As a school employee my end of the agreement has been and continues to be met. However, the state has not met their fiduciary responsibility in managing our pension accounts. FIDUCIARY RESPONSIBILITY requires an entity to be bound ...BOTH LEGALLY & ETHICALLY to act in another's best interest. You have failed your fiduciary responsibility to school and state employees.

AND NOW you are proposing that this mismanagement should be shouldered and absorbed by us, the very individuals you are LEGALLY & ETHICALLY bound to represent.

I have worked hard and planned diligently for my retirement, and now when that goal is close upon me, my own state is betraying me, you are moving the goal post, and you are changing the rules. The proposed changes will not only force me to extend my well planned for

retirement date, the increase in contributions for employees will impact my living on this pre-retirement phase. A phase that is already financially stretched thin. My retirement dollars will decline in such a fashion that I will not be able to maintain the same level of security as I begin with. No cost-of-living increases WILL diminish my quality of life as I age.

This is not acceptable, AND this is NOT what was promised.

You must have the tough conversations of HOW you will fix this. And the fix is NOT expecting school and state employees to shoulder the cost of the fix.

I hear figures about the incoming federal government money our state will receive. Our state needs to reconfigure how and where those dollars go in order to delegate the necessary funding to FIX what is broken. Yes, it is a big step, but this reconfiguration will allow our state the means to uphold their fiduciary responsibility to fix this mismanagement. Then, you need to continue your responsibility going forward, by closely monitoring that account, EVERY SINGLE YEAR, so the performance of the account can be adjusted to ensure it will be there to support the people it was promised to.

It is time for you to go back to the table and have the tough, necessary and responsible conversation around fixing this pension crisis that every school and state employee is being faced with, without placing the burden on us.

Sincerely,

Vicky Lewis.

391 Whittier Road

Derby Vt. 05830

802-673-2756

To the Members of the Vermont House Government Operations Committee:

In addition to the testimony I provided before the committee on March 29 (which is included below), I submit the following:

I spent four years working in the training and recruiting division of the Vermont state police.

In that time, I had the opportunity to interact with hundreds of potential and actual trooper recruits. Many of our applicants come from out of state. When I try to tell them of the benefits of coming to Vermont, there are two primary things I talk about.

The first is, that by coming to Vermont, they won't be a number. They will be a person. They will come to an agency that is large enough to offer professional challenge and opportunity, but small enough that they could have a personal impact on a statewide law enforcement agency.

The second is that, by coming to Vermont, they would have a pension that can compete with some of the surrounding states. Our pay does not compete. Our overtime opportunities do not compete. I tell them that we have a cost of living increases after retirement and that some extra work can boost that pension a bit to compete with higher percentages that exist in other states.

With this proposal, I won't be able to say that second part anymore. I won't be able to say the first part either, because this is reducing us to numbers. We are no longer people to whom a pledge was made.

In 2002, I began contributing. That means something. Five years later, I was vested. That means something. Every year since 2002, I've been reminded of what I am entitled to at the end of my career. That means something.

I will always be proud to call myself a state trooper. I want to always be proud to put Vermont ahead of that title. We are better than this. We need to continue to be better than this to attract the workforce and population that will make up the future of Vermont.

Thank you, Tim Gould

Springfield, VT

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Testimony from 3/29 hearing:

1 - the number of people in my life who derailed her career to move to Vermont so I could be a trooper.

3.75 - the number of years until my expected retirement.

8.75 - the number of years I have to work under this proposal - because my expected retirement isn't "normal."

12 - the age of my son, for whom we've worked to provide a balance of enriching experiences while saving for college.

12.31 - the number of dollars per hour we left for (in 2002, not 1982).

15 - the age of my other son, for whom we also did the previously mentioned the planning.

23 - the estimated percent decrease in my pension, which I will start collecting 5 years later than I expected.

My wife and I have worked hard and planned to provide for our retirement and a solid foundation for our kids.

I took a pay cut to come here because we knew this would be a place we'd want to raise the kids we didn't have yet.

We came here because there was a promise of long term stability that made it worth the lower wages.

I need to know if I should leave to gain protection from these changes. The best case scenario under this proposal is a financial nightmare for my family.

I have read written testimony indicating that these proposals will solve the pension problems. I don't have the expertise to dispute that.

Your decision is this - at what cost? What hardship and damage is this state willing to create in the process.

On your side of this equation, numbers are being thrown around. On our side, lives are being thrown around.