
From: Duggan, Tim
Sent: Tuesday, March 15, 2022 1:31 PM
To: jkitchel@leg.state.vt.us; Barrett, Stephanie; Benham, Catherine; Carolyn Wesley
Cc: Pearce, Beth; Doherty, Owen; Clasen, Michael; Kriewald, William; Doyon, Ashlynn
Subject: Proposed VMERS Language for Budget Bill
Attachments: VMERS Contribution Rate Language.docx

Good afternoon,

I am the new Director of the Retirement Systems here in the Treasurer's Office, and I look forward to working with all of you on pension and retirement issues going forward.

Beth and Ashlynn have spoken to some of you about the attached proposed legislation related to contribution rates in the Municipal Retirement System. We request that you consider including it in the Budget Bill this year. The purpose of the language is set forth in the attached document. Below are a couple of quick highlights that I would draw to your attention.

- VMERS receives no State appropriations. All funds are contributed by employees and employers (i.e., municipalities)
- Since FY14, employers and employees have increased contributions at the same pace – a great example of cost/risk sharing in one of our public pension systems
- If this language is not enacted, this practice will end in FY23, with employers paying more and picking up the full increase in municipal budgets
- This proposed legislation utilizes the same form/structure currently in use, enacted in Act 165 of 2018, sec. 28, which can be found [here](#)

We greatly appreciate your consideration of this language, and we are happy to answer any questions that you may have. Thank you,
Tim

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