

Retiring Times

Volume 2 Number 2

Retired Municipal Employees

May 2003

Message from Vermont State Treasurer Jeb Spaulding

I am very pleased to be able to introduce myself as the new State Treasurer of Vermont. Several months after taking office, I am still tremendously excited about the many things that we can do for the people of Vermont.

Excellent service to our retirement system members is a top priority for me. In my first meeting with all of the staff of the Treasurer's Office, this was my message: we are here to serve. I know that the Retirement Office has been providing excellent service in the past, and I want to assure you that we will maintain that level of service. Indeed, my hope is to improve our service.

That is why I selected Jeff Wilson, former Town Manager in Manchester, VT, as Deputy Treasurer. Jeff is known as a very professional and effective administrator. He is working to be sure we are staffed appropriately and adequately, to upgrade our information technology equipment, and to support the professional de-

velopment of all staff members.

To improve our service, we need to know what is on your mind. We need to know if there are problems in obtaining services. We also need to know when we do something really well. That feedback from you is important. As part of a policy of open communication with you, I encourage each of you to let us know of both our successes and failures in serving you. Every letter that we receive about our service is important. Please send them to Member Feedback at the Retirement Office. Each letter will not only be read, but will be used to fine-tune our service to our members. Continuous improvement is not just a trite phrase. It will be our way of doing business.

I also want to assure you that the retirement funds will continue to be invested responsibly. We will continue to work with the trustees of

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Message from Retirement Operations Director Cynthia L. Webster

Now is a good time to introduce you to the staff of the Retirement Office. We have had several people move on to other jobs or take new positions with the Retirement Office. We have also hired several people to replace those who moved on to other jobs.

Leaving are Cheryl Gorton, Chip Sanville, Becky Brockway, and Linda Fournier Bouffard. Cheryl retired last spring and is enjoying herself immensely. Linda took a position with Abandoned Property in the State Treasurer's Office. Becky moved over to the Accounting Unit in the State Treasurer's Office. Chip joined Bene-

fitsCorp, which provides services to municipal and state employees. All of them will be missed.

Laurie Lanphear and Rob Link are our two retirement counselors. Laurie has been with us for years, and many of you may have spoken with her in the past. Rob replaces Chip Sanville and is new as of February 3, but has learned fast and is ready to help you with any questions that you may have. Rob came to us from the armed forces, where he served as a retirement specialist with the military. His last station was in Ice

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Treasurer's Message (continued from page 1)

your Retirement Board to seek the best possible gain, the least possible risk, and the lowest possible administrative costs. As those funds grow, we will continue to strive to improve the benefits that we offer to you. We will continue to represent you when the Vermont Legislature debates the funding and benefits of your retirement system. In addition, I plan to join other State

Treasurers in becoming more proactive in encouraging responsible corporate behavior, as a strategy to protect the long-term financial interests of our pension funds and members.

Thank you for the faith and trust that you have given to your Retirement Office. My promise to you is that we will always strive to be worthy of it.

Director's Message (continued from page 1)

land, so he is very familiar with cold weather and snowy winters.

Answering the phones are Manda Corriveau and Cheryl Taylor. Cheryl has been with us for a year, but has recently moved from one secretary position in the Retirement Office to another. She is still answering phones, but also is working with the insurance system for teachers. Manda is new and was hired in February to replace Linda Fournier Bouffard. She is still learning but will soon be a valuable addition to our staff. Judy Moody also answers phones, but her major responsibility as a data clerk

is to maintain and update the information on our active retirement system members. Judy has been with us since July of 2002.

Joan Stasulis replaces Cheryl Gorton as Retirement Operations Chief. She supervises the staff and also will be doing retirement counseling. Joan came to us from the Department of Education last fall, where you may have known her in a different role.

Everyone looks forward to hearing from you and providing service to you. If you are thinking of retiring this year, please make an appointment with a retirement counselor.

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With all of these changes, we are very thankful to have "old timers" who have been with us for a long time and know how to keep the Retirement Office running dur-

ing times of transition. Among these people are Donna Holden (Administrative Assistant), Wendy Lee (Program Services Clerk), Tina Kawecki (Retirement Specialist), Kitty Bolduc (Program Services Clerk), and Jennifer Thivierge (Accountant). Cynthia Webster, Director and an 18-year veteran of the Retirement Office, has also pitched in by assisting where needed and providing a measure of stability during all of these changes.



Health Insurance for Retired Members

The Vermont Municipal Employees' Retirement System (VMERS) plan is a self-funded retirement plan. The contributions are only from the participating employers and employees. There are no state funds or subsidies as in the State Employees' and State Teachers' plans.

Each participating VMERS entity provides some type of health insurance coverage for its active employees. In the Teachers' systems, the active membership is also covered at the local level for health insurance.

If there is a loss in insurance coverage when a person retires, the employer must offer a COBRA policy for a specified length of time. (A COBRA policy is a legal requirement to allow an individual to continue their health insurance coverage by paying the entire premium – both their portion and the employer's portion.)

Insurance rates or premiums are based on the claims of participants in the health insurance plan. For the most part, the larger and more diverse the Group (or pool), the more stable the rates will be since a number of participants who are paying premiums will have no claims. Retired or older members in a group of participants are typically the most expensive section of the group because of the higher costs for medical attention, treatments, etc.

At retirement, teachers lose their health insurance from their local entity but are immediately transferred to the VT Retired Teachers plan that is administered by VEHI. They are given health insurance as part of the retirement plan because the active members of the retirement plan and the State of Vermont contribute toward that benefit during their active employment.

In the case of the VMERS members, we are discussing means to obtain insurance for retirees. One way would be to include retirees in the health insurance plans for active members. There are many concerns. One concern is that taking on a new group of retired members could result in rate increases for current members. A second concern is that many insurance companies are reluctant to cover retired groups.

In an effort to assist retirees, for the past two years the VMERS Board of Trustees has paid a \$30 monthly stipend toward medical expenses. I know this seems like a drop in the bucket, but it represents a very large annual expense to the system.

I hope this answers some of your questions about health insurance for retirees, and I assure you that the Board knows of your concern regarding this issue. We are all trying very hard to obtain health insurance coverage for retired members.

Have a great Spring!



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Official Notice – Election of Trustee – Official Notice

An election for Employer Representative on the Board of Trustees will be held this spring. The term of Trustee David Lewis expires on June 30, 2003. All active members (any member who is not retired) of the Municipal Employees' Retirement System are eligible to vote in this election.

Any active member who would like to be a candidate for the Trustee position must submit a nomination by May 26, 2003. A nomination must contain the signature of at least five municipal employees who are active members of the retirement system. Nominations should also include a brief biographical sketch of the candidate that gives the candidate's qualifications and describes why the candidate wishes to serve as a Trustee.

Trustees are responsible for the investment of the retirement funds and operation of the retirement system. They serve for a term of three years and may run for re-election at the end of their term.

(Trustee Lewis has expressed his intent to run for re-election.) Trustees are expected to attend investment and business meetings of the Board of Trustees. Investment meetings are held quarterly. Business meetings are held as needed, usually on the same day as an investment meeting.

If only one person is officially nominated for the position of Trustee, no election will be held. In this case, the Board of Trustees will simply appoint the sole nominee to the vacant Trustee position.

If you would like more information on nominations or election procedures, please contact the Municipal Employees' Retirement System at 802-828-2305 or 1-800-642-3191. (Toll-free calls must be made from within Vermont.)

(While retired members cannot vote in this election, Retiring Times will keep you informed of the election results and the actions of your Board.)