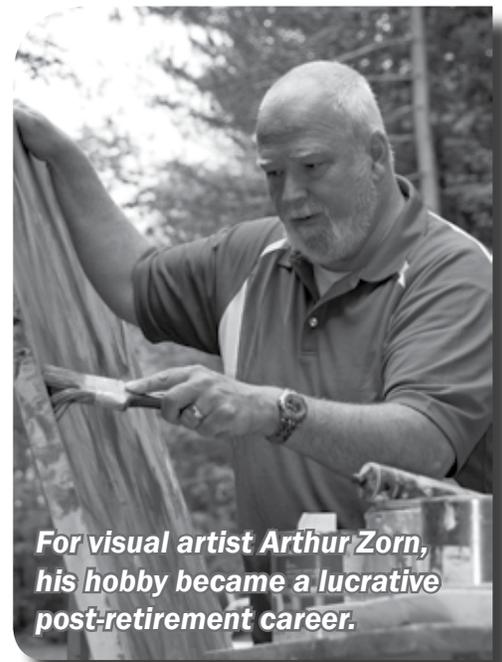


In This Issue:

- New Careers After Retirement
- Treasurer Beth Pearce Makes the Case for Pensions
- Meet the New Retirement Operations Director
- Questions Answered on Beneficiary Form



For visual artist Arthur Zorn, his hobby became a lucrative post-retirement career.

Retiring TIMES

July/Aug. 2012



Vermont State Employees' Retirement System

ENCORE CAREERS

What Opportunities Exist for Post-Retirement Employment?

Roll up your sleeves. Seventy percent of people currently employed say they plan to work for pay after they retire. That means most of us could benefit from doing a little career planning for a later-in-life job.

In their 2012 Retirement Confidence Survey, the Employee Benefit Research Institute reported more workers anticipated delaying retirement and working afterwards due to the poor economy (36 percent), lack of faith in Social Security or the government (16 percent), and a change in the employment situation (15 percent). While these are strong motivators to research future jobs, the survey also found that people liked working. Ninety-two percent of those people already retired and working said working allowed them to remain active and involved.

Nationally, industries and occupations projected to have the fastest job growth through 2020 were related to health care, personal care, social assistance, and construction.

National projections from the U.S. Bureau of Labor Statistics indicate that older Americans will be filling a greater share of future jobs.

Employees 55 years of age or older are projected to represent 25.2 percent of the work force in 2020, up from 19.5 percent today. Nationally, 54.8 million total job opening are projected through 2020. Of those, 61.6 percent will come from the need to replace workers who retire or otherwise permanently leave an occupation. Such a shift suggests older workers will find greater opportunities for changing their career paths.

Growth Trends in Vermont

Like the rest of the country, Vermont's work force must also make adjustments to accommodate the wave of Baby Boomers retiring within the next decade. Mathew Barewicz is the Economic and Labor Market Information Chief for the State's Department of Labor. He says that Vermont's population, as the second oldest in the nation, will need to grow to meet the anticipated labor demand created by retirements, or retirees will need to assume some of those openings as people shift careers. One of the growth areas for future employment is within the field of health care.

"National projections are forecasting that health care industries will stimulate significant job growth in health-related fields," said Barewicz.

(continued pg. 5)

A Snapshot of Vermont's Labor Force

AGE	NUMBER	% OF LABOR FORCE	% OF VT POPULATION
16-24	45,100	12.6%	14.2%
25-54	223,900	62.7%	50.6%
55 & older	88,800	24.8%	35.2%

The Case for Pensions

Pension Plans are an Economic Driver for the State

by Beth Pearce, Vermont State Treasurer

Reliable and adequate income in retirement is not just good for the individual, but is important to the future economic prosperity of Vermont. When we consider economic growth, we generally think of things like new businesses, good paying jobs, high-quality schools, and sound infrastructure. Those are certainly a major part of the economic prosperity equation, but not all of it. The economic output provided by both our current public employees and retired members of the State, teachers and municipal retirement systems should not be overlooked.



Earlier this year, the National Institute on Retirement Security (NIRS) published an economic analysis study on pension benefit expenditures. The study analyzed the impact of the millions of dollars in pension checks that are spent by retirees within their local community and state. Based on fiscal year 2009 data for Vermont, researchers determined that the \$206.1 million in pension benefits paid to 13,935 retirees and their beneficiaries accounted for \$299.8 million in total economic output. The study calculated that pension expenditures supported some 2,459 jobs in Vermont that paid \$96.2 million in income. These expenditures also supported some \$61.2 million in tax revenue at the local, state and federal levels.

The return on these expenditures is even more significant when you consider the taxpayer contribution to the pension. In a defined benefit (DB) plan, such as the vast majority of Vermont's pension systems, the primary source of funds to finance retirement payments is interest earned on the investments. The source of those investment dollars come from employee and employer contributions. As those contributions are invested and earn interest over decades, the pension fund grows and far exceeds the amount of the initial contributions. According to the NIRS study, each single dollar in taxpayer contributions to Vermont's state and local plans support \$5.13 in total economic output.

Economic prosperity also can be measured in terms of the financial hardships experienced by individual Vermonters. When someone is unable to adequately meet their needs for food, shelter, transportation and healthcare they must rely on public assistance. Another study conducted by the NIRS and the University of Massachusetts showed that pensions play a vital role in reducing the risk of poverty among older Americans and a reduction in public assistance expenditures. In "The Pension Factor 2012: Assessing the Role of Defined Benefit Plans in Reducing Elder Economic Hardships," researchers found rates of poverty among older households without DB pension income were approximately nine times greater than the rate among similar households with a DB pension income. Furthermore, in 2010, governments nationally spent about \$7.9 billion less on public assistance to older households because of pension income.

The study determined that in Vermont the \$206.1 million in pension benefits paid to retirees accounted for \$299.8 million in total economic output.

In March 2012 the Employee Benefit Research Institute completed its Annual Retirement Confidence Survey. According to the report, American's confidence to retire comfortably is at historic lows. Just 14 percent report that they expect to have sufficient funds to live comfortably in retirement and 60 percent of workers report that the total value of household savings and investments, excluding their primary home, was less than \$25,000. Survey results like this reinforce the need for all of us to encourage participation in retirement plans. Retirement plans ensure funds are being saved today and invested over the long-term to secure some level of income in retirement.

Pension plans provide a stable source of income for working men and women who personally contribute to the plans--both financially and through years of service. The solutions to financial concerns about the sustainability of such plans must continue to be made in a way that promotes economic prosperity for the retiree, the taxpayer and for Vermont as a whole. That's a responsibility for the State Treasurer, your retirement board, and for all who want to ensure the future economic prosperity for Vermont's citizens.

RETIREMENT DIVISION PERSONNEL UPDATES!

Adriana Cheever joined the Retirement Division in January as a Program Technician I. She previously worked for 18 years as Administrative Secretary to the Vermont State Hospital's Health Information Chief. In that role, she dealt with a large volume of highly technical medical and legal information, with a focus on preserving client confidentiality. We also congratulate Katie LaRaus, Program Technician II, as the recipient of the Outstanding Public Service Award from the Treasurer's Office for Employee Public Service Recognition Week. She was recognized for her work on the division's database system and the extra effort she puts forth to help our customers. She also has worked hard to make the VMERS payroll reporting website efficient and user friendly for the 500 plus entities that she works with.

LEAVING STATE EMPLOYMENT? DON'T FORGET TO . . .

If you leave employment and no longer qualify to contribute to the Vermont State Employees' Retirement System, be sure and contact the retirement office with your questions or concerns. The office number is (802) 828-2305 or toll-free in Vermont at 1-800-642-3191. Situations that make it especially important that you contact us are: (1) You are ill, disabled, or unable to work due to illness or injury--you may be eligible for a disability retirement benefit provided that you file an application no later than 90 days after separation from service; (2) You have a minimum of five years of VSERS service and you question if you are eligible to collect an early or normal retirement benefit; or (3) You accept a position that qualifies you to participate in either the municipal or teachers' retirement systems--you may transfer your VSERS membership and creditable service provided you request the transfer within one year.

LEGISLATIVE UPDATE

The 2012 legislative session was a quiet one for the Vermont State Employees' Retirement System. Although there were a few minor legislative amendments proposed that originated outside of the Treasurer's Office, no changes were made to any of the retirement provisions for active or retired members this year.



YOUR QUESTIONS ON BENEFICIARY FORM MAILING

We've received calls from members who recently received a request to update their beneficiary designations on their retirement accounts. Below are the two most asked questions.

Q: Why did I receive a new beneficiary designation form when I already have one on file?

A: VPAS, the new automation system for the three retirement systems, requires that we have Social Security numbers for all beneficiaries on file. We didn't require that in the past, so a new form must be submitted with that additional information. We will then be able to electronically transfer this information to VPAS and it will be available on our retirement screens should members contact our office with questions.

Q: Will my existing beneficiary designation still be in effect if I do not file a new form?

A. Yes, and it will be used if a new form has not been received. However, without the required Social Security numbers for your beneficiaries, any benefit that may be payable in the event of your death will be delayed while this information is gathered.

REMINDER: Even without the new requirement, it is always prudent to review and update your beneficiary designations every few years. More details are available in the December 2007 issue of *Retiring Times*, posted in the newsletter section on the State system page under the Retirement Division at VermontTreasurer.gov.

TIPS FOR RETIRED SENIORS SEEKING JOBS

- Register with temp firms in your local area.
- Try to get an interview with an employer you're not interested in working for to practice your job skills.
- Consider having your resume rewritten by an expert.
- Put your resume up on internet retirement job boards that connect older workers with employers.
- Look for project assignments, as they are much more available than full-time jobs.
- When applying for a job, tell the employer you are willing to work on a project or temporary basis.

Reprinted with permission from RetiredBrains.com, a free job and information resource for boomers, retirees and people planning their retirement.

Volume 12, Issue 1

July/Aug. 2012

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Retirement Operations Director: **Laurie Lanphear**; Newsletter Editor: **Lisa Helme**. Front page photo credit: **Zachary Zorn**.

109 State Street, 4th Floor, Montpelier, Vermont 05609-6901, (802) 828-2305 or (800) 642-3191 (in-state) *Retiring Times* is published twice yearly by the Vermont State Employees' Retirement System.

(New Careers Continued pg. 6)

His best advice for those contemplating retirement is to plan ahead.

"I thought about what I wanted to do. When I retired, I called the director of the Keewaydin camp and he had a job opening. This is my 18th year at the camp," said Dows.



Marion Okuski

Dows works for the camp from April through Columbus Day, leaving time to serve as the President of the Queen City Pool League in Burlington. One of the teams he plays on recently won the Vermont State championship. He'll be playing in the national championship in Las Vegas later this year.

Marion Okuski worked for 15 years for the Agency of Natural Resources. Okuski's taken time since her retirement to consider

what she'd like to do next in life.

"When I retired, I wanted a complete change and more time to enjoy life. Now, two years later, I would like to work part-time, both for the income and to connect socially with more people," explained Okuski. "It's important people plan before they retire and know what they would like to do. Be prepared, you may want to enter the workforce in the future."

Retired elementary school teacher Whitney Dall was challenged shortly after his retirement to rethink his job skills. As he prepared for a job fair at National Life in Montpelier, a friend reviewed his resume and told him to classify his skills for a business job.

"He showed me how to take my 33 years of teaching and highlight my interpersonal, analytical and problem-solving skills. I went to the fair and was called for an interview. I was chosen for a part-time job as an Investor Services Representative," said Dall. "As our population ages, they need people like me that have life experience and can relate to customers that are a little closer to their age."

For retiree Susan Vantine, trying out a new job in retail before officially retiring helped her learn whether she wanted to make the change. Vantine worked for 14 years in the Attorney General's Office as a paralegal.

"I had always wanted to give retail a try," recalled Vantine. "I started working part-time at the Vermont Trading Company on holidays and weekends. I like the social aspects of this job. I like being out of an office setting and not being behind a computer or desk."



Whitney Dall

Director's Corner

by Laurie Lanphear, Director of Retirement Operations

My name is Laurie Lanphear and I am the new Director of Retirement Operations. I began working in the retirement office on February 18, 1997 as a Data Clerk and then became a Program Services Clerk in October. In November of 2000 I was promoted to the Retirement Specialist position. I thoroughly enjoyed counseling members as they navigated through major life decisions. Over the years, I have had the opportunity to meet and help retire many devoted and wonderful members who I remain in contact with to this day.

In November of 2006, I was again promoted to Chief Retirement Specialist with supervisory responsibilities over the division's team of retirement specialists. In January of 2011 I took on the challenge of Deputy Director of Retirement Operations, and then transitioned into becoming the Director of Retirement Operations.

I feel privileged to work alongside some of the most dedicated and hard-working people I have ever met who strive every day to bring the highest possible level of customer service to our members.



(Encore Careers Continued pg. 5)

for Aging and Work at Boston College published a report on the role of bridge jobs after career employment. The research brief notes that while older Americans frequently shift gears later in life by reducing work hours or changing jobs, retirement is no longer a one-time permanent event for many. That means employers may have greater access to older, skilled workers and a larger labor pool.

The report states, "The key to tapping into this resource is to understand how and why older Americans choose to remain working later in life, and to discover how best to harness this positive energy."

For Vermonters, understanding the future job market and examining personal goals can be key to working in a meaningful post-retirement job. It will help ensure that a career encore provides a positive eventual exit entirely from the labor market.

Explore Careers

VERMONT ASSOCIATES

Through the Senior Community Service Employment Program, older Vermonters are placed in non-profit organizations to provide needed help & learn specific job skills.

1-(800) 439-3307

www.VermontAssociates.org

VT DEPARTMENT OF LABOR

There is a full array of services for job seekers.
(802) 828-4000, press 3
www.Labor.Vermont.gov

TOP 30 OCCUPATIONS

With Largest Projected National Employment Growth from 2010-2020



- **Registered Nurses**
- **Retail Salespersons**
- **Home Health Aides**
- **Office Clerks - General**
- **Food Preparation & Serving Workers (includes fast food)**
- **Customer Service Representatives**
- **Heavy & Tractor-Trailer Truck Drivers**
- **Laborers & Freight, Stock & Material Movers**
- **Nursing Aides, Orderlies & Attendants**
- **Childcare Workers**
- **Bookkeeping, Accounting & Auditing Clerks**
- **Cashiers**
- **Elementary School Teachers (except special education)**
- **Receptionists & Information Clerks**
- **Janitors & Cleaners (except maids & housekeeping cleaners)**
- **Landscaping & Groundskeeping Workers**
- **Sales Reps for Wholesale & Manufacturing (except technical & scientific products)**
- **Construction Laborers**
- **Medical Secretaries**
- **First-line Supervisors of Office & Administrative Support Workers**
- **Carpenters**
- **Waiters & Waitresses**
- **Security Guards**
- **Teacher Assistants**
- **Accountants & Auditors**
- **Licensed Practical & Licensed Vocational Nurses**
- **Physicians & Surgeons**
- **Medical Assistants**

SOURCE: U.S. Bureau of Labor Statistics, Feb. 1, 2012. Vermont specific data not available at time of publication. After Aug. 1, 2012, specific Vermont data available on-line at www.vtlni.info.

(Encore Careers Continued)

“Currently, approximately 19 percent of Vermont’s jobs are in education and health related fields. It is anticipated that percentage will, at a minimum, hold steady if not grow.”

Other major labor market areas in Vermont are trade (retail), transportation and utilities which comprise 19 percent of all jobs; total government (municipal, state and federal) at 18 percent; leisure and hospitality at 11 percent; and manufacturing at 10.5 percent. In the last available compilation of occupations with the largest number of projected future job openings in Vermont, two of the top five are related to health care and the remaining to hospitality and leisure. From 2008 to 2018, the top five occupations with the largest projected job openings in Vermont are:

cashiers, personal and home care aides, retail salespersons, waiters and waitresses, and Registered Nurses.

We need to discover how best to harness this positive energy.

According to the U.S. Bureau of Labor Statistics, the average

American born in the latter years of the baby boom held 11 jobs from the age of 18 to age 44. More than three-fifths of these jobs were held from ages 18 to 27. Such job shifts suggest that today’s worker is accustomed to retooling personal skills for other employment opportunities. In Vermont, Barewicz notes that Vermonters tend to stay in the labor force longer than the national average as evidenced by labor force participation rates. Nationally, 17.4 percent of the civilian (non-military) population 65 years old or older is in the labor force versus 23.4 percent in Vermont.

“Anecdotally, some attribute it to the ‘Yankee’ mentality of working hard. Data does indicate Vermont has a higher average level of educational attainment which suggests that while we have an older workforce than the national average, it is more skilled,” said Barewicz.

Retirement & Employment Projections

Earlier this year, the U.S. Department of Labor released its projections for job trends within the next decade. Industries and occupations projected to have the fastest job growth through 2020 were related to health care, personal care, social assistance, and construction. In occupations in which a master’s degree is typically needed for entry, employment nationally is expected to grow by 21.7 percent—faster than the growth rate for any other education category. However, the majority of projected job growth nationally will be in occupations that do not require a post-secondary degree. Two-thirds of the 30 occupations projected to have the largest number of new jobs require less than a postsecondary education, no related work experience, and short- or moderate-term on-the-job training. (See Top 30 Occupations Chart) For those retiring from a long-tenured position in the job market, and not pursuing additional training, this could be good news.

Encore jobs refer to work in the second half of a person’s life that generally combines continued income, more personally meaningful work and social impact. Five years ago, the Center

(continued pg. 4)

Vermont State Employees' Retirement System

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New Careers After Retirement: What's In Your Future?

What are retirees of the Vermont State Retirement System doing once they retire from their jobs? The short answer is--working. Whether as a volunteer or in a paid position, retirees in Vermont and the nation are finding post-retirement work provides a means to remain engaged in their communities and earn extra money, if needed. *Retiring Times* contacted some of these busy retirees to see what new careers they were

"I wanted to become a painter when I was young, but the realities of paying bills and stuff got in the way. Retirement is the time to act on those unfulfilled things."

– Arthur Zorn, Visual Artist & Retired Teacher

pursuing and what advice they have for others for later-in-life careers. For former music teacher Arthur Zorn, what started as a way to supplement his retirement income, turned into a full-blown career. Zorn began painting while still teaching music at Spaulding High School. After retiring, he had more time to promote and develop his work. The result has been clients throughout the Northeast requesting his artwork. You can watch Zorn in action by going to www.youtube.com and entering in Arthur Zorn.

For former State Department of Education employee Doug Dows, retirement was a time to return to work at a much-loved

camp he had worked at when he was 19-years-old. Sporting a head of red hair, Dows came away from that early work experience with the nickname of "Red" and a love for the outdoors.

(continued pg. 4)



Doug "Red" Dows worked for more than two decades for the State Department of Education. His post-retirement career is as the head of exploration at the Keewaydin Camp for Kids at Lake Dunmore, Vermont. Above, he checks one of the camp's bat houses. He enjoys working with the campers, who range in age from 8 to 15 years old. (Photo credit: Larry Hayes)