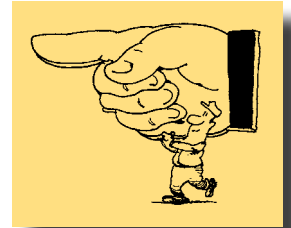


# Retirees to Receive Negative COLA

News regarding a decrease in the cost-of-living-adjustment for retirees was included in the December 2009 editions of *Retiring Times*. Below are the stories that appeared in each edition. If you have questions regarding the COLA, please contact the Retirement Division at (802) 828-2305. The complete issue of *Retiring Times* for each system is available on-line by going to the VSERS, VSTRS, and VMERS pages of the Treasurer's Office web site.

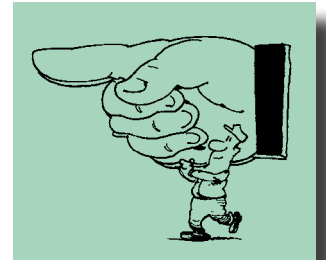
## Vermont State Employees' Retirement System

Retirees eligible to receive a cost-of-living adjustment (COLA) in January will experience a decrease due to a negative rate of inflation reflected in the Consumer Price Index (CPI). The CPI on June 30, 2009, was a negative 1.4 percent. Group A, B, C, and D retirees will experience a negative 1.4 percent adjustment in their January pension payment. For example, a retiree currently receiving a monthly pension benefit of \$750 will receive \$10.50 fewer dollars to reflect the decrease in the COLA. Retirees in group E and F will receive the minimum statutory adjustment of negative 1 percent in January as required by 3 V.S.A., § 470. For example, a retiree from these groups who receives a monthly benefit of \$750 will receive \$7.50 fewer dollars. It is important to note that retirees receiving their first COLA in January of 2010 will not be impacted as the statute mandates that a retiree's allowance never go below the amount of the original benefit payable at retirement.



## Vermont State Teachers' Retirement System

Retirees eligible to receive a cost-of-living adjustment (COLA) in January will experience a decrease due to a negative rate of inflation reflected in the Consumer Price Index (CPI). The CPI on June 30, 2009, was a negative 1.4 percent. Group A retirees will experience a negative 1.4 percent adjustment in their January pension payments. For example, a retiree currently receiving a monthly pension benefit of \$750 will receive \$10.50 fewer dollars to reflect the decrease in the COLA. Retirees in Group B and C will receive the minimum statutory adjustment of negative 1 percent in January as required by 16 V.S.A., § 1949. For example, a retiree from these groups who receives a monthly benefit of \$750 will receive \$7.50 fewer dollars. It is important to note that retirees receiving their first COLA in January of 2010 will not be impacted as the statute mandates that a retiree's allowance never go below the amount of the original benefit payable at retirement.



## Vermont Municipal Employees' Retirement System

Retirees eligible to receive a cost-of-living adjustment (COLA) in January will experience a .7 percent decrease due to a negative rate of inflation reflected in the Consumer Price Index (CPI). The CPI on June 30, 2009, was a negative 1.4 percent. Retirees eligible to receive a COLA in January will experience a decrease equal to one-half that amount, or negative .7 percent, as required by 24 V.S.A., § 5067. For example, a retiree currently receiving a monthly pension benefit of \$750 will receive \$5.25 fewer dollars to reflect the decrease in the COLA. It is important to note that retirees receiving their first COLA in January of 2010 will not be impacted as the statute mandates that a retiree's allowance never go below the amount of the original benefit payable at retirement.

