

JEB SPAULDING
STATE TREASURER

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182



UNCLAIMED PROPERTY DIVISION
TEL: (802) 828-2407

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

MEMORANDUM

TO: Steve Klein, Chief Fiscal Officer
FROM: Jeb Spaulding, State Treasurer
DATE: July 29, 2009
SUBJECT: Retirement Incentive Plan

Would you please include this update of my Office's plans related to implementation of the 2009 retirement incentive in the materials for the upcoming Joint Fiscal Committee meeting?

As of this writing, we currently have 315 applications and anticipate the possibility of another 10 to 20 before the deadline at the close of business on Friday, July 31st.

We have developed a lottery and notification plan that recognizes the concerns expressed by the Committee at its last meeting and is in accordance with the law. It is imperative that we notify the eligible applicants as soon as possible in order to give them sufficient time to make their final decision, to sign up for retirement seminars being held the week of August 10, 2009, and to provide adequate notice to their respective departments.

We will conduct a lottery first thing in the morning on Monday, August 3rd, ranking all applications on file in a confidential manner. Monday afternoon, we plan to mail retirement packets to the first 300 selected employees. Included with the packet will be all of the necessary retirement paperwork, as well as employee-specific estimate information. There will also be a memorandum explaining the process associated with the retirement incentive including the deadlines for submitting paperwork, the process for departments to request delaying retirement dates for employees they wish to retain after September 1st, and instructions to notify our office in writing if they are not planning on taking advantage of the incentive. If the Joint Fiscal Committee, at its meeting on August 5th, votes to approve additional slots above 300, we will notify those remaining employees as soon as possible following the meeting, possibly even by phone.

The decision to exceed 300 retirements (with 1/3 of the positions held vacant) under this program is mainly a policy decision and should be based on an analysis of the State's ability to perform key services. We cannot comment on the Administration's overall workforce plan, but if their analysis supports a number higher than 300, I am supportive of increasing the number of employees eligible for the incentive. Keep in mind that we anticipate that some employees will change their minds and not follow through with the retirement process.

We will update you on the final count of applications after 4:30 on Friday, the 31st, and plan to update the Joint Fiscal Committee on August 5th.

2009 RETIREMENT INCENTIVE
Number of Applications Received by Agency/Department
As of July 31, 2009 Close of Business

- 64 - Agency of Transportation
- 41 - Children and Families
- 32 - Corrections
- 21 - Labor
- 15 - Buildings and General Services
- 16 - Health
- 17 - Agency of Natural Resources
- 12 - Judiciary
- 11 - Disabilities, Aging & Independent Living
- 10 - Public Safety
- 11 - Tax
- 9 - Education
- 8 - Child Support
- 7 - Agency of Agriculture, Food & Markets
- 6 - Military
- 6 - Liquor Control
- 6 - State's Attorneys
- 38 - Other

330	-	Total*
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- 121 - Agency of Human Services
- 64 - Agency of Transportation
- 33 - Agency of Administration
- 17 - Agency of Natural Resources
- 7 - Agency of Agriculture, Food & Markets
- 88 - Other

330		Total*
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* Preliminary applications. We anticipate some of these individuals will not follow through with the retirement process once estimate information is provided.

Applications Received	
151	- Week of June 15th
70	- Week of June 22nd
26	- Week of June 29th
18	- Week of July 6th
12	- Week of July 13th
21	- Week of July 20th
32	- Week of July 27th
330	Total

Service Credit Data	
84	- 35+ - years of service
127	- 30 - 34 years of service
53	- 20 - 29 years of service
28	- 15 - 19 years of service
38	- Less than 15 years of service
330	- Total
28.8	- Average Years of Service

Age Data	
161	- 62 + years old
137	- 55 - 61 years old
32	- 48 - 54 years old
330	- Total
61	- Average Age