
From: Judy Devoe <judyjod@aol.com>
Sent: Tuesday, October 11, 2022 10:00 AM
To: Office State Actuary, WA
Subject: SCPP testimony letter
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October 11, 2022

The Honorable Steve Conway
Chair
Select Committee on Pension Policy
P.O. Box 40429
Olympia, WA 98504

Dear Chair Conway:

I am writing to thank you and the members of the Select Committee on Pension Policy (SCC) for your consideration of both a legislative pathway to a permanent cost of living adjustment (COLA) for Plan 1 retirees, as well as a one-time 3 percent COLA effective in July 2023.

Your consideration of these priorities will resolve two immediate issues plaguing our oldest retired public servants. First, by inserting language in SCPP-sponsored legislation that will codify a trigger point by which the state will restore a permanent COLA for Plan 1 retirees will solve the long-standing inequity among pension plans. Plan 1 retirees have waited nearly 12 years for a permanent COLA. Moreover, your consideration of another one-time 3 percent Cola for Plan 1 retirees will provide much-needed inflationary relief.

The one-time COLA you secured for us in the last legislative session has helped me to meet the increasing costs, this year. However, while appreciated, it offers short-term relief and doesn't address the real problem. I, and those like me, lose purchasing power year after year.

I have been retired since 2004 from State service, at age 55 and am a member of PERS1. I began to receive Social Security benefits at age 62 in 2011. I am now 73. My monthly net income is about \$3500.00 per month.

I am a single woman and own a 93- year-old home in Longview. They made homes to last in those days and it remains a sturdy structure. However, last year water damage was discovered when I hired Pest Control. I had an invasion of rats. The kitchen and utility room exterior walls and floor had to be replaced, as well as incoming and outgoing water lines. During the work on that project, the contractors discovered old termite damage, new carpenter ant damage and bare electrical wires – all of which needed correction for safety reasons. The contractors pulled off the siding, one wall at a time, had pest control out to spray before replacing the siding and installing new windows. Digging a French drain to deal with the standing water under my home during the rainy season, and rewiring took a large amount of the money from re-financing my home mortgage. I didn't have enough money to finish the work. I thought I could save the estimated \$5,000.00 to replace the windows and siding on the front of the house. Then came the rising prices. Not only have I not been able to save, I also have had other major unanticipated purchases such as new tires, a front-end alignment and vet appointments on my credit card. Now, my home-owners insurance is indicating I need to replace the roof by April 2023.

My current mortgage is for 15 years at very low interest. I will be 88 when it is paid off. I am considering another re-finance, which in today's market, will be a higher interest rate, and extending the loan to 20 or 25 years to make it more affordable. In 25 years, I will be 98 years old.

I've always been thankful that my 30 years of hard work as a Public Employee earned me this wonderful pension. But I thought after age 65 the COLA's would keep up with the yearly increases of utilities, gas, groceries and other expenses. These things continue to eat away at my retirement income because my income has not kept up with inflation. Every year I must decide what to give up to make ends meet. In recent years I have eliminated the daily newspaper and cable television. This year, I am limiting my food choices and not going out for meals or entertainment.

I am stuck. I have no options. Renting is more expensive than staying in my home.

Only a permanent COLA will help to ensure financial, food, and housing security in retirement. I hope we can count on you to include, in the bill under development, language to codify a permanent Plan 1 COLA and a one-time 3 percent COLA for 2023.

Sincerely,

Judy DeVoe
3256 Ocean Beach HWY
Longview, WA 98632