
From: Phil Jones <pjjones_1099@msn.com>
Sent: Friday, October 14, 2022 9:04 AM
To: Office State Actuary, WA
Subject: SCPP Written Testimony fm Philip J Jones
Attachments: SCPP_WRITTEN_TEST_SEN_CONWAY.pdf

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"Good is better than evil because it's nicer" - *Mammy Yokum*

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

October 14, 2022

Dear Senator 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 for a one-time three 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 SPPP-sponsored legislation that will codify a trigger point by which the state will restore a permanent COLA for Plan 1 retirees. Second, the long-standing inequity among the pension plans will be ended. Plan 1 retirees have waited nearly 12 years for a permanent COLA.

Your consideration of another one-time three percent COLA for Plan 1 retirees will provide much-needed inflationary relief.

The COLA you secured for Plan 1 retirees in the last legislative session was helpful and provided temporary relief, as will the proposal you are currently considering. However, one-time COLAs, while deeply appreciated, are short-term fixes that never address the real problem as year-after-year, the oldest retirees, historically receiving the lowest pensions, continue to lose purchasing power at a time when they need it most. More on this coming up.

My background in brief: I am a retired state employee, 82 years old, but am a PERS 2, not PERS 1 retiree. I am in good health, am a licensed CPA, have an MBA from the University of Chicago, and worked closely with PERS 1 folks from the time I entered State service in 1982 until I retired in 2006. I bounced around and worked at a number of agencies: Employment Security (Employer Auditor, Treasurer – the dubious distinction of having my name on unemployment checks; Retirement Systems, WSDOT, General Administration – Finance Manager, Labor & Industries.

I would like to give you some numbers from the State Actuary's most excellent web site to put some things in perspective about the PERS 1 retiree population.

Figure 1

ATTAINED AGE	RETIRED PERS 1	RETIRED PERS 1 WITH DISABILITIES
UNDER 50	0	0
50-54	0	0
55-59	0	0
60-64	565	21
65-69	5,392	118
70-74	10,229	184
75-79	8,440	140
80-84	5,795	96
85-90	3,670	61
90-94	2,018	30
95 & Older	811	5
TOTAL	36,920	655

Figure 2

ATTAINED AGE	RETIRED PERS 1	RETIRED PERS 1 WITH DISABILITIES
UNDER 50	0	0
50-54	0	0
55-59	0	0
60-64	0	0
65-69	0	0
70-74	0	0
75-79	8,440	140
80-84	5,795	96
85-90	3,670	61
90-94	2,018	30
95 & Older	811	5
TOTAL	20,734	332

PERS Source: WA State Actuary:
<https://leg.wa.gov/osa/supportinformation/Pages/AgeDistributions.aspx>

Figure 1 shows the numbers by age group of PERS 1 members receiving pensions. It also shows the number of those pensioners in each age group who have disabilities. I do not know how the Actuary defines "Disabled," but must assume it is serious in nature.

In Figure 2, I have eliminated the numbers from the "Under 50" category through the "70-74" category. Beginning with the 75-79 category the numbers of "Retired PERS 1" declines from the previous age group. This suggests die-offs have begun in earnest starting in this age group.

Also please note that there are 20,734 people in the "75-79" through the "95 and Older" categories. This number, 20,734, is 56% of the total 36,920 PERS 1 retirees.

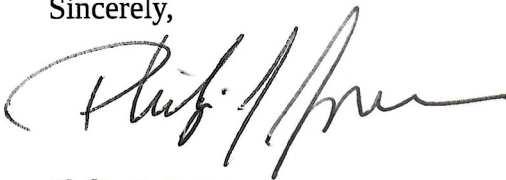
Senator, I think you get my point.

I am a believer in Public Service, and that if you have been fortunate in life you have an obligation to give back. In that regard I have in my life tried to do so: in 1967, I was a VISTA-funded Appalachian Volunteer in a 19th century remote Kentucky hollow: no-electric, no TV, no phones, no running water, etc. I have also been a Hospice companion to dying children; was for many years on the board of and the chair of the Grays Harbor Human Services Advisory Board, and so on.

My point is that when I say that the PERS 1 folks I know and knew "gave back" to the public, I mean it sincerely. They were/are dedicated, and they deserve some thanks.

The sun is setting on the PERS 1 population. Please, Sir, do what you can to help them live out their last days with dignity. A permanent COLA would be a well-deserved "Thank you."

Sincerely,

A handwritten signature in black ink, appearing to read "Philip J. Jones". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Philip J. Jones
PERS 2 Retiree
Member, Retired Public Employees Council of WA, Chapter 18
5000 Orvas Ct SE
Olympia, WA 98501