



Retired Public Employees Council of Washington (RPEC) Chapter 46

Warren Warfield President

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October 2025 NEWSLETTER

Next Luncheon Meeting November 19th, 2025
ZOOM meeting October 15th details below

Presidents Message:

- **Social Security (SSA) COLA and Medicare Part B premium for 2026:** There's been multiple articles on projecting the Social Security COLA for 2026. The latest estimate is 2.7% to 2.8%. SSA will release the actual increase around mid-October. The latest estimate for Medicare part B premium is around \$206.50, up from \$185.00 in 2025. Now, other not good news. First, an increase in the Medicare Part B premium is offset against the Social Security COLA. Second, a hidden offset may also occur from the tariffs imposed by the Trump administration. Imported commodities cost more; thus, the tariffs could be interpreted as a hidden tax on your income.

- **Plan 1 COLA update:** At September's "Select Committee on Pension Policy (SCPP)" meeting there was discussion about another one-time Plan 1 COLA next July and options to restoring an annual COLA. Senator Conway, an advocate for retired public service employees, requested the Office of the State Actuary (OSA) update its cost analysis for an ad hoc COLA next year to present at its October meeting. However, the challenge is the General Fund (GF) budget deficit. GF is the fuel for state agencies in administering their multiple programs such as Medicaid and wildfire protection to name a few. The "Office of Financial Management's (OFM)" latest projection on revenue for the GF is down \$903 million by 2029. Thus, the legislature in 2026 will, yet again, be faced with more challenges in achieving, by law, a balanced state budget by June 30, 2029. This does not bode well for a COLA in 2026. Should one be approved, it would not surprise me if it is 1.5% and not the usual 3%. We'll keep our fingers crossed for a more positive outcome.

As for a recurring COLA, there is a pathway if the SCPP and, subsequently, the legislature chooses to take it. The LEOFF 1 (Law Enforcement Officers and Fire Fighters) pension fund is projected to have a \$1.6 billion surplus after the fund's liabilities are satisfied. ESSB 5085 proposes merging the PERS/TRS/LEOFF 1 pension funds into one overall pension plan titled the "Legacy Retirement Plan." This would enable an ad hoc COLA in year one followed by subsequent annual COLAs thereafter. OSA, at the request of the 2025 legislature, is in the process of analyzing this pathway for a SCPP decision likely in November or December for advancing this proposal to the legislature. Last month, I sent the enclosed letter and chart to the SCPP in favor of this pathway. Note in the chart how critical the Social Security COLAs are in assisting Plans 1, 2 and 3 in meeting the CPI-W index which is an indicator of inflationary impacts in the Seattle-Tacoma-Bellevue area.

- **Chapter 46 October Zoom Meeting:** A reminder that there is no October chapter lunch meeting. Instead, I will be available for a ZOOM meeting with members on October 15th from 10 - 11AM and will extend beyond 11 AM if there is interest.

ZOOM access information:

- Go to <https://zoom.us/join>
- Meeting ID: 446 261 1015
- Pass Code: 106052

That should allow one to link into the meeting. At September's meeting, there were five individuals who attended the meeting via ZOOM. The response was positive. My preference was to allow anyone to join the meeting without me having to admit each individual. However, a glitch occurred in which I had to admit these individuals one-by-one into the meeting via ZOOM. Hopefully, that won't occur again. A reminder will be emailed several days before the October broadcast.

I participated in the RPEC **August 29th Legislative Committee meeting**, and following are highlights from that meeting:

-RPEC key state priorities for 2026:

- restoration of a one-time PERS/TRS 1 COLA and approval of a recurring COLA in 2026.
- modifications to the state's regressive tax system to ensure wealthy residents pay their fair share of taxes.
- sustain the Medicare Explicit Subsidy of \$183 for Medicare health plans managed by the "Public Employees Benefit Board (PEBB)"
- urging the legislature to pass legislation that healthcare mergers and acquisitions do not reduce access to quality healthcare nor increase the healthcare costs for seniors.

PEBB Open Enrollment for exploring, changing health plans is October 27th – November 24th. RPEC has created a special open enrollment landing page on its website to assist members in navigating PEBB's open enrollment website.

Medicare Open Enrollment is October 15th - December 7th. There is a RPEC On Air webcast that will be available on its website. There is also an educational program on November 7th, 10 AM, via ZOOM focusing on open enrollment for traditional Medicare.

RPEC has arranged for a **ZOOM meeting** with the new Director of the Department of Retirement Systems, Kathryn Leathers, on **October 20th, 10 – 11 AM**. The Pension Policy Workgroup, of which I chair, has provided a set of questions for RPEC to ask the director.

Legislative Week in 2026, via ZOOM, is January 26th - 30th. Registration opens soon.

The above activities indicate how busy RPEC is in monitoring developments impacting its members in multiple areas. Likewise, our chapter is right there in its presence at various RPEC committee meetings and in communicating our concerns and/or recommendations. Your membership is vital in helping the officers represent you.

Warren Warfield President
wdw330@comcast.net

RPEC Chapter 46 September 17, 2025 Minutes

Meeting called to order at 12:14 PM by President Warren Warfield: Three officers present along with 18 members including five via ZOOM to constitute a quorum.

Guest Speaker: Larry Cole, SHIBA Representative

Larry explained with informative multiple handouts the various health insurance choices available for seniors. SHIBA, or "Statewide Health Insurance Benefit Advisors," details different plans available such as original Medicare, Medicare advantage plans or plans provided by former employers. SHIBA's role is to assist individuals, faced with a complex array of health insurance options, in making the correct insurance coverage decision for them and family members.

District 9 District Representative Report: Claude Burfekt

Claude reported via ZOOM on the Strategic Plan Special Task Force which has been tasked with reviewing RPEC's 23-27 Strategic Plan. The purpose of this task force tackling RPEC's fiscal and organizational structures is to identify necessary changes to ensure RPEC is strong and healthy in the long run. The task force will present its findings and recommendations to the RPEC Executive Board on October 17th.

President's Report: Warren Warfield

Warren presented the result of the chapter officers, EB members and Trustees' special meeting on June 18th. Among key decisions were the following:

- chapter meetings will occur September, November, January, March, May.
- the summer picnic in August and Xmas party in December are still on.
- the Secretary's position will occur through a rotation with EB members and Trustees assigned in developing the minutes.
- there will be no member survey similarly to that done in 2023. The chapter may undertake one in summer, 2026.

Secretary's Report: Warren Warfield, acting Secretary

The minutes from the May chapter meeting and June 18th chapter special meeting were approved.

Treasurer's Report: Dennis Montgomery

Reporting period: June 18, 2025 - September 17, 2025:

- beginning balance: \$7,093.67
- income: \$1,541.42

- expenses: \$632.31
- ending balance: \$8, 002.78

Old Business:

Legislative: Warren Warfield

The 2026 legislature is faced with the challenge of having a balanced budget, by law, by July 1, 2029. But, overlaying this is both a projected revenue shortfall the next two biennium's and addressing a prevailing budget deficit in the billions of dollars. This poses a major challenge for Plan 1 annuitants receiving an ad hoc COLA next year let alone having a recurring COLA restored the next two biennium.

Membership: Colleen McGinn

The state membership committee is currently analyzing chapters overall health in having a leadership succession plan, recruiting new members and retaining existing members. Note: the chapter has this plan – a preferred format was developed for chapters to record member attendance at chapter meetings. Note: the chapter utilizes this form – RPEC's Associate Member program has been revamped by the statewide Membership Committee. An associate member is an individual still working but intends to retire within 18 months and will join RPEC. That individual will be charged a \$21 fee, then upon retiring and becoming a full member, the first three months of the membership fee are waived.

Summer Picnic

Special thanks to Dennis and Bonnie Montgomery for holding our summer picnic at their home in Bellevue. It was an enjoyable time for all.

Good of the Order:

Annette announced the Chapter is inviting Representative Osman Salahuddin, 48th LD, to our November meeting.

Adjournment: 1:38 PM

Submitted by Jan Hemingway, acting Secretary

September 20, 2025



Retired Public Employees Council of Washington

Representative Travis Couture
Chair: Select Committee on Pension Policy
P.O. Box 40914
Olympia, WA 98594-0914

Dear Chair Couture:

As chair of the Pension Policy Workgroup of the Retired Public Employees Council of Washington(RPEC) and as a PERS 1 retiree since 1996, I'm writing to request the Select Committee on Pension Policy(SCPP) adopt legislation providing a one-time cost-of-living adjustment (COLA) to PERS/TRS 1 retirees in 2026 and give serious consideration to supporting SSB 5085 and/or HB 2034 either which could fund both a recurring and one-time COLA at no additional cost to the state.

I understand that the Legislature had no choice in the last legislative session but to address the projected \$12-15 billion operating budget deficit through the approval of additional taxes and mandated state agency budget reductions. Adding to these painful choices is the projected withholding of federal funds utilized for vital state-managed programs such as Medicaid. To further address this budget dilemma, the Legislature approved ESSB 5357 which eliminates employer contributions to the Plan 1 UAAL and previously approved benefit improvements for the next two bienniums. This legislation does not support the Committee's goal of maintaining equity among the pension plans.

As has been sufficiently detailed in SSB 5085, there is no impact on the benefits LEOFF 1 annuitants and beneficiaries are receiving and will continue to receive. And, there is also no impact on employers who face serious budget constraints over the next four years. Therefore, please give this bill serious consideration during your current analysis.

If the Committee likewise supports HB 2034, I suggest a portion of the LEOFF 1 surplus funds be transferred to the "pension funding stabilization account" to be utilized to fully fund the Plan 1 UAAL and provide for both an ad hoc and recurring COLA.

Either legislation, assuming such a proposal meets IRS rules addressing state pension plans, would finally provide relief for many Plan 1 annuitants and beneficiaries who have lost serious purchasing power even with the five ad hoc COLAs provided since 2010. The attached chart exemplifies the discrepancies amongst the COLAs illustrated for the various state pension plans when compared to Social Security COLAs and the CPI-W index utilized to calculate said COLAs. RPEC members often express to me the

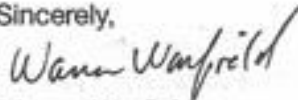
challenges they face in addressing ongoing, ever increasing financial requirements such as:

- house insurance premiums increasing 100% since 2017.
- property taxes increasing 60% over last eight years.
- health insurance premiums, such as for Medicare, increasing 40% since 2017 with another increase likely in 2026 in which a recent article projected an increase up to \$205 per month compared to \$185 in 2025 for Part B. Additionally, this increase will consume most of the Social Security COLA in 2026. While the monthly subsidy for annuitants enrolled in state health insurance is beneficial, it, too, has not kept up with annual premium increases thus further sinking Plan 1 annuitants into a financial quagmire in paying monthly bills for utilities, groceries, car, house insurance coverages and other needs.

Costs such as these increase annually with or without a COLA. PERS 2 and 3 annuitants, with their annual, guaranteed COLA, can better meet these challenges. But, PERS and TRS 1 annuitants still have family financial obligations perhaps in caring for a spouse or other family member. Financial sacrifices have to be made; the result is the level of stabilized, predictable standard of living drops over the years. This, with every dollar acquired, by whatever means, is vital to retain that standard of living. The SCPP can perform a pivotal role in assisting these annuitants in maintaining a meaningful life style they've earned through their hard work and public service career for a legislator's constituents.

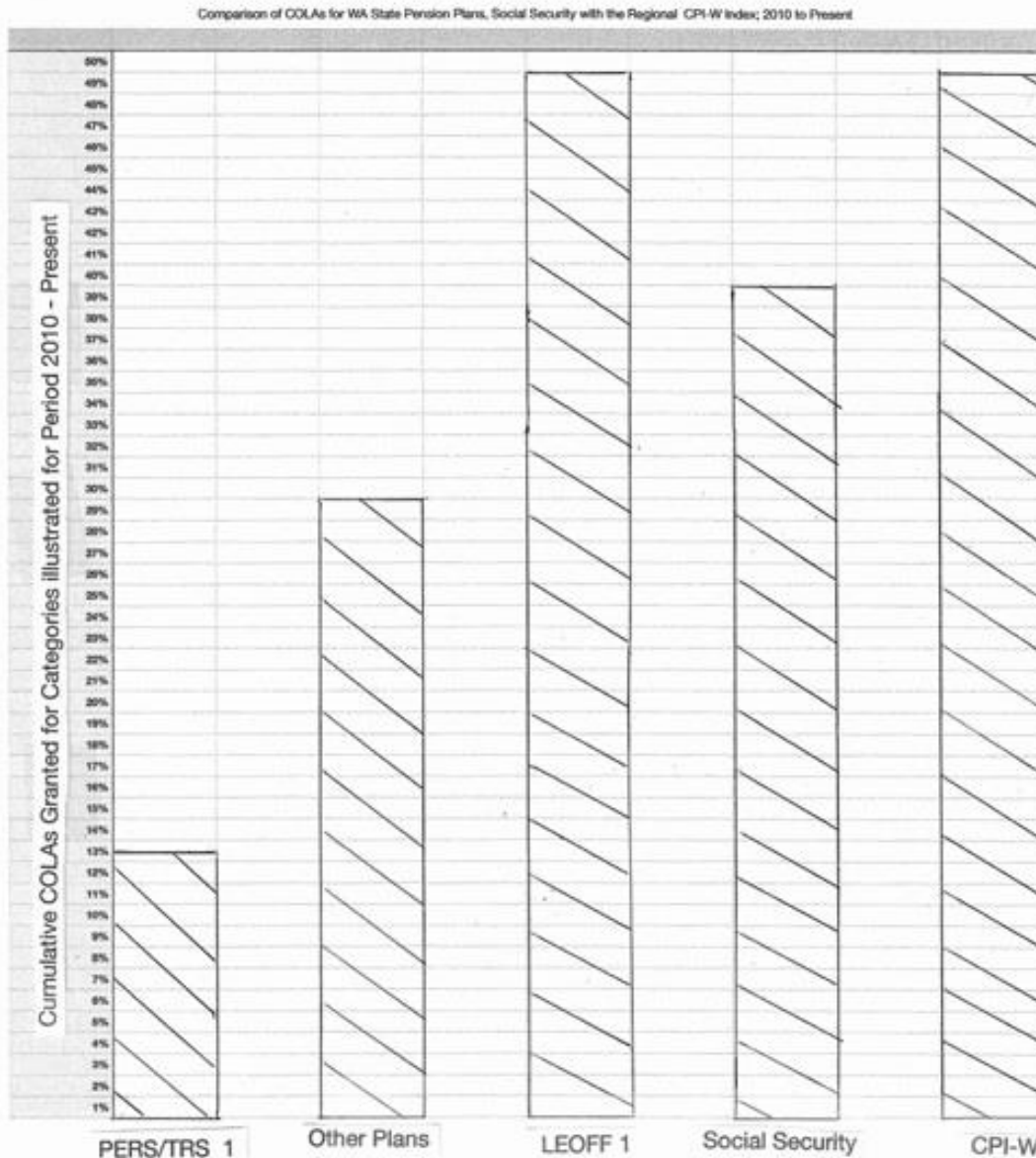
Thank you for your consideration of these requests.

Sincerely,



Warren Warfield
Chair: Pension Policy Workgroup(RPEC)

CUMULATIVE COLAS GRANTED FOR CATAGORIES ILLUSTRATED FOR PERIOD 2010 - PRESENT



-CPI-W: WA pension plan COLAs are based on this CPI index applicable to urban consumers in the Seattle-Tacoma-Bellevue area. Social Security, likewise, utilizes the same index to calculate its annual COLA effective January 1st each year.

-Other Plans: applicable to PERS 1(optional COLA); PERS 2,3; SERS 2,3; TRS 2,3; LEOFF 2; WSPRS 1,2; PSERS 2. A COLA, if applicable, is effective July 1st and cannot exceed 3%. If CPI-W index exceeds 3%, the excess is "banked" to be used when a subsequent COLA is less than 3%. Judges not included in this chart.

-LEOFF 1: there is no cap, nor banking, applicable to a COLA. Whatever the CPI-W index is for a given year, that will be the COLA effective April 1st.