



NEWS RELEASE

FOR IMMEDIATE RELEASE

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Retirees Face Loss of COLA in January 2008

In response to the failure of the Board of Trustees of the Employees Retirement System of Georgia (ERS) to approve the 1.5% cost-of-living adjustment for January 2008, the Georgia State Retirees Association (GSRA) has written to Governor Sonny Perdue to make sure that he is aware of the impending injustice soon to be inflicted on State retirees. Copies of the letter were also sent to Michael Nehf, Executive Director of ERS, and to all members of the ERS Board of Trustees.

In the letter, GSRA President Claude Vickers cites the fact that retirees were apparently singled out to be excluded from this upcoming minimal cost-of-living (COLA) increase. Since the law allowing such increases was passed twenty-five years ago, retirees have received this increase every six months to help them cope with increased living costs. Increases effective January 1, 2008, have already been approved for over 85,000 retirees of the Legislative Retirement System, the Judicial Retirement System, the Public School Employees Retirement System, and the Teachers Retirement System. But the 33,000 state employee retirees were shut out of the January 2008 cost-of-living adjustment.

GSRA finds it hard to understand why the increase for state retirees was apparently not even considered, since the just-released 2006 actuarial report was based on the assumption that the COLA increases would be approved through January 1, 2009. In addition, the actuary reported during the June ERS Board meeting that the retirement system was "well funded". Vickers called upon the Governor to ensure that all State government retirees are treated equitably.

Failure to receive this increase will hit particularly hard this January as retirees are being notified by the Department of Community Health of a 10% increase in health insurance premiums, also to take effect on January 1, 2008.

Membership in the GSRA is open to any current or retired employee of the State of Georgia or any subdivision thereof who is eligible for membership in a health insurance or retirement plan administered by a State agency or by the Board of Regents. Additional information about this issue and other retirement issues can be found online at the Association's website www.GeorgiaRetirees.org, or by writing to the Georgia State Retirees Association, P.O. Box 108, Bethlehem, Georgia 30260.
