

GSRA 2018 Annual Meeting
October 15-16
Anderson Conference Center
Macon

Complete meeting details and registration information coming soon!

Major Values for TRS and ERS Compared

GSRA reported on the Employees Retirement System’s actuarial report in the GSRA May newsletter. On May 16, 2018, the Board of Trustees for the Teachers Retirement System reviewed the TRS draft actuarial report for the period ending June 30, 2017.

Prior to comparing the results of the two actuarial evaluations, two major points in the actuarial report for TRS are discussed—the Actuarially Determined Employer Contribution Rate (ADEC) for the next budget year (FY 2020) and the “Funded Ratio” for the actuarially determined accrued liabilities. The ADEC rate for FY 2020 increased slightly from 20.9% in FY 2019 to 21.14% in FY 2020. With the ADEC rate increasing by 0.24%, the required dollar increase of new state revenue in FY 2020 should be much less than the \$361 million funding increase that was required for TRS in the FY 2019 budget.

The TRS “Funded Ratio” decreased slightly—from 74.3% to 74.2%. The actuarial consultants, Cavanaugh Macdonald states, “In our opinion, the System is operating on an actuarially sound basis. Assuming that contributions to the System are made by the employer from year to year in the future at the rates recommended on the basis of the successive actuarial valuations, the continued sufficiency of the retirement fund to provide the benefits called for under the System may be safely anticipated.”

Comparison of major values in the actuarial reports for TRS and ERS show many similarities and major differences in the size of the pension systems. Values in the table below show how the pension systems compare, and the percentage change for each system in the annual period ending June 30, 2017.

	TRS – 6/2017		ERS – 6/2017	
	Value	% change from 6/2016	Value	% change from 6/2016
Number of active members	222,902	2.1%	60,906	1.9%
Average Annual Compensation	\$ 50,847	2.9%	\$ 41,810	4.8%
Number of retirees & Beneficiaries	122,687	4%	49,475	2.5%
Average Annual Retiree Benefits	\$ 36,934	1.4%	\$ 27,200	-1.5%
Actuarial Value of Assets	\$ 71.2 billion	4.5%	\$13.1 billion	1.8%
Unfunded actuarial accrued liability	\$ 24.8 billion	5.0%	\$ 4.4 billion	1.8%
Blended amortization period (years)	27.1 years	-3.2%	16.5 years	-9.3%
Funded ratio	74.2%	-0.1%	74.7%	--
Employer Contribution rates (ADEC- FY 2010)	21.14%	1.1%	24.66% GSEPS (21.64%)	--

Conclusions from the comparison are:

- (a) The number of TRS active members is about 3.6 times larger than the active members of ERS with an average annual compensation for TRS members at 21.6% greater than average annual compensation of ERS members.
- (b) The number of retirees in the TRS plan is about 2.5 times greater than the number of retirees in the ERS plan.
- (c) The average annual retiree benefit in the TRS plan is 35.8% greater than the ERS average annual retiree benefit.
- (d) The average retiree benefit in the TRS plan is increasing while the benefit in the ERS plan is decreasing. This is a result of most new ERS retirees being members of the “new” plan with fewer service years and a lower multiplier, etc. and to some extent the difference in COLA provisions.
- (e) The total assets of the TRS plan are 5.4 times larger than ERS plan due to TRS having a larger number of active members paying into the plan, larger average compensation and differences in actuarial assumptions. It is not a result of differences in investment income since both plans use the same

investment staff although investment strategies may differ somewhat.

- (f) The TRS unfunded actuarial accrued liability is 5.6 times larger than the ERS liability which tracks with the TRS larger retiree and active populations. However, the blended amortization number of years to reach 100% funding for TRS is 10.6 years longer than the number of years to reach 100% funding for ERS. The differences in the amortization period is in accordance with the “funding policies” of each plan.
- (g) The funded ratios for each system did not materially change in the 2017 reports although the ERS funded ratio remained at the 2016 level.
- (h) The TRS Employer Contribution rates (ADEC) increased by 0.24% for FY 2020 (next budget year) but remained the same for ERS. GSRA estimates that the small ADEC increase for the TRS will require additional funding of \$25-\$30 million for FY 2020.

The actuarial consulting contractor states that, “The assumptions and methods used for financial reporting purposes meet the parameters set by Actuarial Standards of Practice (ASOPs)”.

Employees Retirement System Board Met June 16th

The Employees Retirement System board met as scheduled on June 21. Chairman Barrett and members Ryan, McCoy, Griffin, Reheis and Thach attended. Twelve GSRA members also attended, spearheaded by our South Fulton local chapter.

There was no discussion nor mention of a COLA. The board approved proposals to *lower* administrative fee charges for Peach State Reserves from \$8 to \$2, and to *reduce* the asset based fee from 0.5% to 0.3%. Director Potvin presented his regular secretary's report. Communications director Danielle Jordan reported on the June 4 implementation of the new ERS web site. GSRA representative Chuck Freedman was given the opportunity to compliment Ms. Jordan for reaching out to users -- particularly GSRA -- and conducting a well-organized and staffed focus group, and for producing a quality final result.

CEM Benchmarking presented its findings on its comparison of Georgia ERS with roughly similarly sized ERSs and TRSs administered by eight other states. In summary, CEM found the Georgia ERS to be low cost and efficient, but with less than average service mostly in presentations to members, surveying members and operating its call center. Two board members complimented director Potvin and the staff on its initiative in contracting for the study and the overall positive results. Chairman Barrett invited observations from GSRA representative Chuck Freedman. Freedman echoed the compliments of the board members but went on to comment that the report also indicates opportunities for service improvement. Freedman expressed surprise that Georgia ERS compares so unfavorably with other ERSs in presentations to members given the large number of WRAP sessions it conducts.



Steve's View: Summer is Our Busy Season!

Summer is now officially here, along with the heat and humidity! Even so, many dedicated GSRA volunteers continue to work to support the organization and our fellow retirees.

GSRA continues to have volunteers attend the twice monthly ERS WRAP sessions in Atlanta and we also had a good turnout of members for the June ERS Board meeting. Planning is well underway for the Annual Meeting in October, with complete meeting details and registration information coming soon. Several new membership initiatives are underway which have already begun to bear fruit. GSRA has a new Secretary, Beverly Littlefield, and thanks her for serving. Board members have met over the last month with several state leaders who have key roles concerning our retirement and health benefits and local

chapters have continued their meetings over the spring and summer, some of which have been attended by GSRA board members.

In other words, summer is the time for us to stay busy in advance of the coming election season (while looking forward to our "one-time bonus payment" which we expect in early August). Let us each hope and work toward a goal of protecting our benefits with whatever new administration takes office in 2019. We have to keep working now, if we expect to reach that goal.

Thank you for your continued support of your GSRA.

Best wishes to all!

Steve

Local Chapter News

East Metro

The East Metro local chapter held a meeting on June 22nd in Covington. The lunch meeting had a record attendance to hear guest speaker Kip Mann, GSRA Membership Chair. Kip spoke about the importance of growing GSRA membership to attract the attention and support of legislators to address ERS retiree cost of living (COLA) concerns and outlined the approaches GSRA is taking to reach out and attract new members, including asking members to get involved and invite new members who may not be aware of GSRA.

In addition to their usual practice of providing lunch, East Metro also presented a record number of very nice door prizes. In a nice twist, the winner of the largest door prize, a ceiling fan, just happened to be the newest retiree. East Metro meetings are always held at noon and include a provided lunch.

NE Metro



Master Patrol Officer Angelina Edwards with Sandy Copeland

The NE Metro local chapter met on June 8, 2018 in Lawrenceville, with 30 members and two guests attending. Master Patrol Officer Angelina Edwards of the Gwinnett County Police Department gave an informative presentation on safety for seniors and included some tips on dealing with active shooter situations. Her energy and enthusiasm made

the presentation most interesting and kept everyone's attention.

GSRA President Steve Herndon also was in attendance to give a retrospective on the last legislative session and to present GSRA's goals and objectives for the coming year and legislative session. Steve stressed the importance of increasing membership.

Savannah Coastal

The Savannah Coastal local chapter held a meeting June 22, 2018. Guest speaker for the meeting was Steve Herndon, President of GSRA.

President Herndon presented an update on GSRA's accomplishments so far this year and outlined its goals for the future. There was a great turnout to hear Steve's presentation and some lively discussion. The Savannah Coastal chapter appreciated Steve making the trek down to provide the update.

The Savannah Coastal local chapter is quite active, usually having between 30-45 members at meetings, drawn from Bulloch, Bryan, Screven, McIntosh, Effingham, and even Wayne counties. All are welcome who want to join in for a meeting and take advantage of a fine Savannah

restaurant for lunch. Look for Savannah Coastal meeting dates on the calendar in the GSRA website or contact Allan Hill at allandhill1@gmail.com for direct email notification.



GSRA President Steve Herndon addresses the Savannah Coastal meeting



(MY OFFICIAL REWARDS EXPERIENCE)

ERSGA in partnership with the Georgia Technology Authority and *Abenity* now offers the **MORE** program to retirees at no charge. The program offers ERSGA retirees discounts and incentives for shopping, travel, entertainment, dining, and recreation. Enjoy 125,000+ Local & National Discounts including thousands of hotels, restaurants, movie theaters, retailers, florists, car dealers, theme parks, national attractions, concerts, and events.

To access the program, simply sign in to your ERSGA account on the home page. Once you have signed in, you will see the **MORE** logo (as in the title above) and a link to click on and access. You will be asked to choose a user id and password, and that's all. You now can access the offers periodically or set alerts for certain products.

It's that easy. Sign on to your ERSGA account and check out the savings!

GSRA's Buy One Get One Membership Offer for New Members

As a reminder, GSRA is offering a Buy One Get One membership deal through December 31, 2018 for NEW MEMBERS. Go to www.mygsra.com and register online or contact help@mygsra.com or call 770-312-2799 to obtain the mail in form. The registration fee of \$20.00 covers two years of membership through this offer.

If you know of an active or retired state employee, educator or spouse of either who isn't already a GSRA member, please share this offer with them and urge them to join.

January - May New Members

Name	County	Name	County	Name	County
January		Bertha Johnson	Richmond	Glenda Busby	Lee
Sherri Chaney	Gwinnett	Kristy Kehn-Lewis	Coweta	Ada Campbell	Walton
Pamela Davis	Bulloch	Barbara King	Muscogee	Agnes Hardy	Chatham
Eric Robert Miller	DeKalb	Joann Mason	Muscogee	Judy Johnson	Whitfield
Denise Samuel	Cobb	Irma McGeddis	Clayton	Sue Keenan	Dougherty
David Shirley	DeKalb	Marcia Moore	Toombs	Charles Kimsey, Sr	Newton
Charles Smegal	Lumpkin	Melvin Nelson	Colquitt	Barbara Majors	DeKalb
Audrey Stokes	Henry	Dan Ozment	Paulding	Darlene Meador-Osborn	DeKalb
Danise Thaxton	Cobb	Mae Parks	Dekalb	Carolyn Minor	Walton
Judith Wade	Fulton	Linda Powers	Gwinnett	David Norman	Newton
February		Phyllis Shannon	Laurens	Kelly Norman	Newton
Robert Bender	Fulton	Bernice Terry	Muscogee	Judy Phillips	Jenkins
Patsy Bridges	Meriwether	Gloria Thomas	Muscogee	Amy Portwood	Catoosa
Robin Crawford	Coweta	Wardell Williams	Muscogee	May Rozier	Clarke
Irene Dozier-Harper	Henry	April		Frank Seymour	Bibb
Geraldine Dumas	Fulton	Curtis Bryant	Bleckley	Richard Shelton	Lowndes
Persephone Goodwin	DeKalb	Columbus Carter, Jr	Lowndes	Jean Skinner	Walton
Thelbert Gupton	Paulding	Daniel Dodson	Clayton	Steve Smith	Walton
Angie Holt	Houston	Keith Gundy	Wilkinson	Robert Stone	Newton
Mary Lindquist	DeKalb	Tina Hill	Chatooga	Janet Thompson	Cobb
Renee Lipp	Harris	Norma Kirk	DeKalb	Ernest Thrasher	Morgan
Joetta Prost	DeKalb	Connie Long	Whitfield	Barbara Walker	Clayton
Barbara Rushing	Bulloch	Sophia Miles	Fulton	Ivey Webb	Bibb
Joyce Sansing	Clarke	Gloria Patterson	Fulton	Sharon Whitaker	Morgan
Carol Vanderplate	Fulton	Patricia Rich	Dougherty		
Carolyn West	Rockdale	Kim Site	Cherokee		
Avonia Wood	Fayette	Kevin Sykes	Dodge		
Carol Young	Laurens	Richard Thigpen	Ware		
March		May			
Willie Carter	DeKalb	Jack Adams	Echols		
Jacqueline Goolsby	Catoosa	Earl Anderson	Bulloch		
Otis Darrell Goolsby	Gwinnett	Lynn Baxley	Harris		
Geraldine Hightower	Muscogee	Belinda Billingslea	DeKalb		

Don't Forget Your AMBA benefits through GSRA

Don't forget that you enjoy a range of benefits as a GSRA member provided by our partner, Association Member Benefits Advisors, AMBA. For information on the benefits, click on the AMBA logo below or go to www.mygsra.com and click on the AMBA logo prominently displayed on the homepage.

***GSRA Day at the Capitol - Save the Date and Make Plans Now!***

In an effort to continue the momentum we have built to encourage state leadership and the legislature to provide ERS retirees with an actual COLA, GSRA has scheduled February 6, 2019 as ***GSRA Day at the Capitol*** and wants to encourage as many members as possible to attend and show a big presence on Capitol Hill that day.

Circle your calendars and make plans now to participate at ***GSRA Day at the Capitol*** in 2019!



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Endorsed GSRA Benefits

The Georgia State Retirees Association (GSRA) makes many member only benefits available to its members. GSRA endorses the following member benefits:

- Long Term Care / Home Health Care Policy
- Life Insurance
- Medical Air Services Association (MASA)
- Travel Discounts
- Car Rental Discounts
- Tax-Deferred Annuity
- Cancer Treatment Policy
- Medicare Supplement Insurance
- Identity Theft Protection
- Hotel Discounts
- Computer Discounts

Review your benefits at: www.myAMBAbenefits.info/gsra

Benefit made available through

ASSOCIATION MEMBER BENEFITS ADVISORS
Providing the Best-in-Class Benefits to Association Members
800.258.7041



YOU ARE OUR PRIORITY

OUR MEMBERS FORM **THE FOUNDATION** OF THE COMMUNITIES THEY SERVE.

Since 1920, we've guided ourselves on helping members build a solid financial foundation for their own families.

We're not salespeople, we're solutions people. That's why nobody can serve our members like we can.

APCU serves State and Federal workers, retirees and their families in Georgia. Visit APCU's website today at GSRA. For more information, visit apcu.com, or call us at (404) 768-4125 or Toll-free at (800) 848-8431.



APCU partners with Members Wealth Management, a financial services program, to help our members with financial planning, investments, insurance, as well as retirement and estate planning strategies.

APCU has invited Sharen Roman, a Managing Associate with Members Wealth Management, to offer a great workshop, "Money Talk 101," at GSRA. This seminar is designed to facilitate conversations around financial milestones for retirees.

Topics will include:

- ★ The importance of setting financial goals
- ★ Understanding your current financial position
- ★ Preparing for a successful retirement
- ★ Income tax considerations
- ★ What your loved ones need to know

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SHBP RETIREES, OUR ADVANTAGE IS YOUR SATISFACTION.



Medicare Advantage Plans from UnitedHealthcare®

UnitedHealthcare® Medicare Advantage plans achieve over 97% satisfaction* with SHBP retirees.

UnitedHealthcare continues to be a proud sponsor of the GSRA Annual Meeting for 2018.



*2015 UnitedHealthcare Customer Experience Survey scores for Group Medicare Advantage plan members. Plans are insured through UnitedHealthcare Insurance Company or one of its affiliated companies, a Medicare Advantage organization with a Medicare contract. Enrollment in the plan depends on the plan's contract renewal with Medicare.
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