

4-18-24: ERS board grants 2025 COLA plus one-time adjustment

The ERS board met today. After some reporting from executive director Jim Potvin and ERS's actuary, the board first considered our COLA using the formula that it approved a few years ago. The formula computed a 0.25% benefit adjustment which the board approved. For the median benefit of about \$21,000, that will amount to \$52 annually, or just over \$4 per month. While disappointingly small this year, with Governor Kemp's continued annual addition of \$150 million to employer contributions, COLAs are projected to average 1.05% per year. This was a major win for us and gives us a substantial base to build on -- hopefully soon -- for bigger COLAs

The board subsequently considered how to apportion the amended FY '24 budget's \$26.75 million it has been holding onto for the last nine months. It decided to grant 4.75% to as many retirees as it could, so that combined with the COLA the retirees would receive a total 5% adjustment. There is enough money for the full 5% to be awarded to retirees receiving up to about \$11,800 annually. This is roughly the 27th percentile of retiree benefits. All retirees receiving annual benefits above \$11,800 will receive a flat amount of about \$560 plus the 0.25% COLA. Based on continued feedback from our members, GSRA leadership is ok with this approach.

Details about the timing and other aspects of both adjustments have been posted at <https://www.ers.ga.gov/post/colapost-retirement-benefit-adjustment-0>

We were delighted that the board unanimously agreed with GSRA's advocacy of the last two years to repeal the age threshold for disabled retirees to receive benefit adjustments. This was clearly the proper action for the board.

Director Potvin mentioned the \$26.74 million in the general FY '25 budget and said that he will be recommending how to distribute that at next April's meeting.

Be aware that none of these actions would have occurred without the continued advocacy of GSRA members as well as leadership. Good job all around. We have begun planning and in some cases acting to obtain better outcomes next year.