



Dear Fellow Retiree,

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From the President - Claude Vickers

What two common interests are shared by all state government retirees?

First, a pension based on our salary and length of service; and second, the right to health insurance benefits equal to those extended to active state employees. These are probably the two biggest eggs in all our baskets, and this association's primary goal is to watch over them very closely.

But beyond that, the Georgia State Retirees Association will work in other ways to assist its members. We asked you to tell us where there are problems, and some of you have responded. Some of our members have reported problems deciding on the best Medicare Part D coverage, and we will be working on this. We are also aware that some of the information in the ERS database may be inaccurate (See the Membership Responses section below for information on checking out your own account). Another member recently reported problems with the new Peach State Reserves. We wonder how others are faring. I encourage you to visit your association website at www.GeorgiaRetirees.org and use the Discussion Forum to report any retirement-related problems (and outcomes).

All of these issues affect us and we will do as much as we can by educating the membership on retirement issues. You can help! Become active in a growing and vibrant organization that will promote and protect retiree rights. In the next week or two, try to contact at least two of your friends and ask them to join our organization. Start by asking them to visit the website and register for the newsletter.

On our Radar

>>> **State Health Benefit Plan (SHBP)** - The Association continues to monitor developments on the Health Insurance front. As it stand now, the \$100 million FY 2008 appropriation to the SHBP for Other Post Employee Benefits (OPEB) is currently being held in the House Appropriation Committee pending a Congressional resolution of the FY 2007 and potential FY 2008 funding shortage in the PeachCare program. While resolution of the PeachCare problem should not affect the SHBP funding, it is holding up both the amended FY 2007 appropriation bill (HB 94) and the FY 2008 bill (HB 95). Final Congressional action will most likely not occur until mid-March, which would delay State action until April. There is discussion at the State Capitol of taking a two-week recess to await action at the Federal level.

Interestingly, the Associated Press recently quoted the Perdue administration's Chief Financial Officer, Tommy Hills, as saying that the \$100 million recommended in FY 2008 shows that Georgia is addressing its commitments in a responsible way. While the FY 2008 funds are needed and appreciated, Mr. Hills, as CFO, surely must be aware that an excellent opportunity arose in the amended FY 2007 budget to use a portion of over \$711 million in surplus funds for the same purpose. None of the \$711 million as recommended by the administration went to the SHBP for OPEB.

>>> **Senate Bill 80** - The GSRA sent a special Action Alert to all members concerning this proposed legislation. Senate Bill 80 would allow the ERS to invest a certain percentage of retirement funds in certain types of "alternative investments", (leveraged buyout funds, Mezzanine funds, Debt funds, Venture capital funds, etc.) which are generally considered to be very risky. The bill also adds an entirely new section to the "Public Retirement Systems Investment Authority Law" and affects virtually all public pension funds in the State of Georgia except the Teacher's Retirement System. Of great concern is that the bill provides that such investment activity shall be shielded from public scrutiny and exempts such activity from open records inspection. Read the full text of this alert on our website at www.GeorgiaRetirees.org.

After the Bill was introduced into the Georgia Senate, the Retiree Action Alert requested that members contact their senators and voice their opinions on this legislation. Members who have not contacted their elected Senators should do so immediately.

This bill, introduced on January 30, 2007, was referred to the Senate Retirement committee, which consists of the following members:

Heath, Bill (R-SS 31) Chairman
Schaefer, Nancy (R-SS 50) Vice Chairman
Smith, Preston W. (R-SS 52) Secretary
Davenport, Gail (D-SS 44) Member
Murphy, Jack (R-SS 27) Member
Stoner, Doug (D-SS 06) Member
Tate, Horacena (D-SS 38) Member

Note that Bill Heath, Committee Chair, and Preston Smith, Committee Secretary, both co-sponsored SB 80. To keep up to date on the status of this legislation, click on http://www.legis.ga.gov/legis/2007_08/sum/sb80.htm.

Bill Shipp, in his February 7, 2007, column syndicated to many local newspapers in Georgia, noted that there were three ideas before the legislature about which citizens should be concerned. These included (1) ripping up the coast (removing restrictions on coastline development), (2) feeding the sharks (predatory lending practices in Georgia), and (3) exploiting pensions. About pensions, Shipp wrote: *"Some lawmakers won't have to move sand and swamp to find treasure. A pot of gold is sitting right under their noses. State pension funds have been ripe for rip-off for a long time. It's a wonder they have survived until now. Senate Bill 80 allows state employee pension funds to be invested in very-high-risk ventures, and, at the same time, blocks the investment schemes from public scrutiny. Look out, pensioners; the wolves are at the door. Beware, educators. You may be next."*

There will be much more on this issue later.

New Homestead Exemption Deadline is March 1, 2007

Voters in last November's general election ratified a homestead exemption for Georgia's senior citizen. Property owners who were 65 prior to January 1, 2007 may be entitled to an exemption of the State portion of the Property Tax on their personal residence for 2007. This exemption is equal to the amount of the state tax levy for the residence and up to 10 acres of land, and is in addition to existing homestead exemptions. To obtain this exemption, property owners must apply by March 1, 2007. Contact your local tax commissioner in your county of residence for how to apply.

Membership Responses

Wesley Morris of Covington passed along information about retirees' individual data available to each retiree on the ERS website. He has asked us to alert all retirees that they need to check their information as shown in the ERS files. Wesley knows of several who have logged in and found inaccuracies mostly in the spelling of the beneficiary's name. This could be a small thing to overlook but might make a big difference later on. (Note: The Association's Communications Committee Chair reviewed his own information on the ERS website and found incorrect data in one of the fields.)

If you have not already set up your own Web account with ERS, you may do so by logging on to our website at www.GeorgiaRetirees.org and click on the **Retirees! New ERS Web Account Access** link to the ERS website. Let us hear back from you if you find inaccuracies in your own data in the ERS database.

Retiree Education Corner--

Solving Medical Insurance Problems

Most of the time our health insurance plans work as they should. When they don't, however, we contact the customer service representatives at the various companies. Every once in a while our problem still does not get solved and we are left wondering where to turn. **Jerry Newsom**, GSRA Education Committee Chair, reports that he and his committee members have found an answer for anyone in this situation. This info originally came to Jerry from State Board of Education member Peggy Nielson of Albany, Georgia, who sends out a periodic Update with information of interest to educators. This information will assist you, by providing to you the names, telephone numbers and e-mail addresses of

Thanks to Jerry Newsom and his committee for putting together this information on the problem solver contacts and the pharmacy management contract. The education committee of GSRA has the responsibility of providing important information to the membership to assist you in your retirement.

Making your membership count

Be active and not passive. Our association can be an effective voice for all retirees only if the membership takes an active part by supporting our educational efforts on your behalf.

First, sit down today and look in your email address book and identify all your friends who are fellow retirees or who plan to retire soon, and send them information about our Association. Give them the website address and ask them to join. If you do not use email then call or write to your friends to tell them about the Association. The more members we have who can learn more about their retirement rights and benefits, the better our Association will be.

Second, follow through by acting upon the information you receive. If there is a need to contact an elected representative, then by all means do so by phone, email or letter. The purpose of our Association is to educate our members about our rights as retirees and how those rights may be threatened. If we fail to act on information given us, then how can our representatives know that we are concerned about actions they make take in the Legislature?

Third, contact the Association and let us know about things that concern you personally. We need all our members to be diligent and alert. If you are aware of a bill that has been introduced that can possibly affect retirees, make us aware of it. Do not assume that someone already knows about it. We also want to know about matters that come to your attention other than legislation. Let us know about anything that can affect your fellow retirees so we can help spread the word.

Website

Our website continues to be expanded, thanks to the untiring efforts of our Webmaster, Harvey Nation. There is a discussion forum in which you can participate and provide information for others. All the past newsletters and alerts have been added so that new members can catch up on all the information put out by the Association. We are looking at association software that works with a website to improve our education outreach and administrative activities. Please let Harvey know of any such products that you have confidence in. He can be easily contacted at webmaster@GeorgiaRetirees.org.

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