

## 2015 Annual Meeting Update August 17-18, 2015 - Savannah

The upcoming 2015 GSRA Annual Meeting in Savannah, August 17-18, 2015, is being finalized, with several speaker confirmations to report. **Chuck Clay** of Nelson, Mullins, Riley and Scarborough, LLP, GSRA's Legislative Liaison, will be the keynote speaker and provide members with a comprehensive view of the 2015 Legislative Session and what GSRA was able to achieve in this first year of using professional legislative liaison services, as well as the strategy for going forward. **Teresa MacCartney**, Director of OPB, **Senator Renee Unterman**, Chair of the Senate Health and Human Services Committee, and **Rep. Tom Dickson**, Chairman of the House Appropriations Education Sub-Committee, are all confirmed. GSRA leadership is in discussion with other invitees to round out the Legislative/Administration panel discussion on where Georgia government is headed.

An exciting range of concurrent workshops and presenters have been confirmed. These include *Cyber Security*, presented by Brent Rothschild of *the U.S. Secret Service*, *The Executor in Your Underwear Drawer*, presented by Christie Ayotte Baer of the Baer Law Firm, and *Georgia Alzheimer's Care Program*, presented by Ginny Helms of the Georgia Alzheimer's Association. The *Future of Retirement Benefits* continues to be worked out. In addition, the acclaimed [AARP Smart Driving course](#) will be conducted by Robert Carson of AARP. Members interested in taking the two sessions (three-hours each) to enhance their driving skills and potentially lower their car insurance rates will have that opportunity on Monday afternoon and Tuesday morning.

Of course, GSRA is equally committed to providing members with quality afterhours time for relaxing and connecting with old friends and former colleagues during the Annual Meeting. The **Old Savannah Tour**, available to registered members and guests Monday afternoon for the nominal fee of \$5.00 additional registration, will showcase

Savannah's history and architectural delights. The tour trolleys will depart from the parking lot of the Coastal Georgia Center at 1:30 pm on Monday, and return in time for the Reception at the Georgia Coastal Center that evening. Local Savannah singer/songwriter **Danielle Hicks, along with the 8 Ohm Resistance**, will provide music at the reception. Danielle has developed a loyal following with her unique style. Accompanied by guitarist/bassist Nathan Saraceno, Danielle blends pop, rock, blues and jazz for an enchanted evening of music you won't want to miss!

If you haven't already made your hotel reservations, don't forget the July 16<sup>th</sup> deadline to take advantage of discounted rates at a number of great hotels convenient to the Coastal Georgia Center, as well as to the historic district and other Savannah attractions. [Click here to see the list of hotels and get contact information.](#)



B Historic Hotel in Savannah, one of several hotels with Annual Meeting discounted rates

If you haven't yet registered for the event, [click here to register online](#) or [click here to access the form for mail-in registration](#). You definitely want to be in historic Savannah August 17-18 for this informative meeting!

## Retirement Litigation-Illinois & New Jersey

Adjustments and litigation regarding public employee retirement pay are “hot” topics nation-wide. Several GSRA members have specifically asked about litigation in Illinois and in New Jersey. GSRA President Hinton has reviewed information about the litigation and finds that neither of these court cases are synonymous with the legal issues in Georgia.

Illinois government policymakers, in an effort to reduce a massive budget deficit, adopted legislation that erased the compounding 3% annual adjustment that was legislated in 1989. In lieu of an annual 3% cost-of-living adjustment, the proposed law provided for a proportional increase based on years of service, delayed the retirement for workers aged 45 and younger, reduced employee contributions by 1%, and allowed the pension agencies to sue the state if it did not contribute its full annual portion to the funds.

In the Illinois’ litigation, the Illinois Supreme Court forced the state to find another way to fix the government-employee pension crisis. Illinois, like most other states, was hit hard by the Great Recession; however, many states took steps to remedy or mitigate their problems. The justices ruled that Illinois could not abridge the rights of members of the various retirement systems. The Court said that Illinois, rather than abridging the contract with public employees, had other options, including raising taxes, for dealing with the economic crisis.

In 2011, New Jersey’s Governor gained concessions from the public employee and teacher unions to reduce the cost-of-living adjustments and raise the member contributions from 5.5% to 7.5% of salary for a period of seven years while increasing the state contributions into the trust funds. The additional funds were to fully fund the plans over a 30-year amortization period. This year, the Governor reneged on his legislated agreement based on the financial position of the state. A state judge found in February that the Governor is obligated to fulfill his payments promise.

On appeal to the New Jersey’s High Court, the Governor’s lawyers argued that the pension law that was passed and signed in 2011 is unconstitutional since it usurps the authority to appropriate funds because the payment would total to around 20% of the total budget. This month the New Jersey Supreme Court in a 5-2 decision said the law passed in 2011 could not legally bind the state to make future

payments without the approval of voters. Doing so, the Court said, would be at odds with Constitutional checks and balances built in the annual budget process. The major excerpts of the Court are: (1) the responsibility for the budget process remains on the Legislature and Executive who are accountable to the voters; (2) the decision strikes down the promise made to hundreds of thousands of public workers by the political branches of government; (3) the decision unfairly requires public workers to uphold their end of the law’s bargain—increased deductions to fund their future pensions while allowing the state to slip from its commitment; (4) having relieved the governor and Legislature of the obligations they assumed by passing the law in 2011, the Court majority keeps in place the increased employee payments mandated from public workers.

President Hinton discussed with Illinois officials and researched the case to determine the differences between the issues in Illinois and in Georgia. The key difference in Illinois is that the COLA (benefit adjustment) is set at 3% per annum in a 1984 Illinois statute while Georgia does not have a set percentage for a COLA in law. Illinois has a provision in its Constitution against impairment of benefits that is included in statute, just as Georgia does. The difference is clearly that in Illinois the COLA is in law and in Georgia it is not in statute. The award in Georgia is at the discretion of the Board of Trustees based on factors presented in law.

The litigation in New Jersey, while according to the Court is “unfair to public workers,” will impair the public workers contractual rights presented in the 2011 law and is in violation of the federal Constitution. The Court stated that the state must get its financial house in order. In Georgia, the maximum employee contribution is set by law and the Board of Trustees has approved policy to require the maximum. Georgia’s pension laws do not have any of the complicating factors that are in the New Jersey case.

The bottom line regarding comparison with litigation in these two states is that neither track the situation in Georgia with the Employees Retirement System laws. Litigation in these two states is based on specific statutes, and Georgia does not have definitive and specific statutes that outline absolute amounts or percentages for adjustments in purchasing power.

## Pension Deductions – Begin with July 30<sup>th</sup> Retirement Benefit

The GSRA Board thanks all of you who agreed to pension deductions. Although we lacked a few percentages making the 25%, the Employees Retirement System agreed to make the deductions for those who desired to have the deductions. While we had planned to implement with the June 30<sup>th</sup> payment, the ERS told us that their benefit payment process had several other issues to be modified on that date. We agreed with the ERS to delay the deductions from the

planned June 30<sup>th</sup> to July 30<sup>th</sup>. Each of the members having the deduction beginning on July 30<sup>th</sup> will receive an email informing him/her of the upcoming deduction. Those members should check their retirement payment on July 30<sup>th</sup> to assure that the deduction of \$1.67 was made. If you find a discrepancy, you should contact GSRA (not ERS) for resolution.

## Local Chapter News

### West Georgia/Columbus

West Georgia/Columbus is planning to hold its Annual Legislative Forum Tuesday, August 11, 2015 from 10:30 to 12:30 at the Columbus Public Library.

The featured speaker for the forum will be Jim Potvin, Executive Director of the Employees Retirement System, with the local legislative delegation and state GSRA officers invited as guests. All area members, active and retired state employees and educators are encouraged to attend.

### Northeast Metro

Northeast Metro Local Chapter was featured in the June issue of the *Gwinnett Citizen*. The article highlighted the goals and some of the activities of both the Georgia State Retirees statewide organization and the local Northeast Metro chapter. [Click here to see the full article.](#)

## Member Spotlight



June's Member Spotlight is on Dean Crist. Dean, who serves as an At-Large Board Member of the GSRA Board, began his public service career as an educator, teaching for twelve years at Columbus High School. While Dean enjoyed teaching, he did not want to be confined to one room and was able to transition to a career as an Environmental Health Specialist with DHR/Public Health in Harris County. A major portion of his time was spent on on-site sewage disposal, which involved working with developers, engineers, soil scientists, homeowners, contractors, and manufacturers of materials in planning and installing on-site sewage disposal systems. He also spent time inspecting restaurants, institutions, such as correctional facilities,

nursing homes, schools, etc. for issues related to public health. He worked to prevent rabies in the county and investigated other disease outbreaks when appropriate.

During Dean's later career years, he became a Regional Lead Coordinator, responsible for childhood lead poisoning prevention. During this time, he also worked with public health and other agencies in planning disaster response for a variety of emergencies.

Following are Dean's answers to questions we asked him about his public service career.

Q - What was your first job in State Government? Why did you want to work in public service/state government?

A – **My first job in State Government was a high school teacher. I truly enjoyed teaching, but wanted to be outdoors more. I was fortunate, and managed to change**

careers by becoming an Environmental Health Specialist in Public Health. My last few years prior to retirement, I was a Regional Lead Coordinator for Childhood Prevention.

Q - Did you have a role model or mentor in your public service career? If so, who was it and how did they help?

A –While teaching, Mary Ann Cox taught me how to work through all the hazards and pitfalls while dealing with the challenges we faced. As an Environmental Health Specialist, Ray King taught me the values of doing excellent field work, and patience. John Councilman pushed for integrity and other moral values.

Q - What's the biggest challenge you faced in your public service career?

A –As an Environmentalist, I dealt with many complex issues in many different ways. It was difficult to help others understand the complexities when they only wanted simple answers, and quick answers, but they needed to understand the complexities to come to the right answer or conclusions.

Q – What was the best thing about your public service career?

A – I loved dealing with the people I worked with, and the Georgians I worked for. Environmental Health affects all social classes and levels, so you do not get to pick and choose where and when you are needed. I discovered that all have their own values, pride, and worth. All of the different people I worked with taught me many things that I still cherish today. They all were willing to share in many different ways. My involvement in many different communities at many different levels always gave me great pleasure. It made me feel good when I could find ways to help people and communities solve problems.

Q – What was the worst thing about your public service career?

A –For me it was always difficult when a person or community had a problem with no real solution. It was always more so when the individual or community lacked the resources to deal with a problem, even when there was a solution.

Q - What do you think is the biggest change in state government we will see in the next 10 years?

A – I have been retired for 10 years, so I do not see all the latest trends coming down the pike. I do think resources (such as money) to maintain high quality programs in some areas may be lacking. If quality lacks too much in some programs, the public will demand changes in such a way as to meet their needs. Changes in technology will continue to drive the way we do things.

Q - What have been your favorite hobbies or activities in retirement?

A – I enjoy kayaking, and have gone on Paddle Ga. every year since they started. It is usually a week long paddle of about 100 miles camping out at schools along the way. I also enjoy woodworking in my shop when I get time.

Q – What makes retirement rewarding for you?

A – I love the time to do more and different things. It is also really neat to be able to go to family events in Ohio and Mississippi. It's nice to get things done so I'm not trying to cram everything into a weekend, and still have a little down time to catch up. I enjoy being home where I can watch the deer and wild turkeys.

Q - What is the biggest challenge you see for state retirees in 2015 and beyond?

A – I am concerned regarding health care coverage. Rising costs impact all of us. Associated with this is how can we maintain our standard of living if costs of things continue to rise, and we see no benefit increases. How do we remain financially stable, especially at an age where we are likely to see an increased need of health care? It's very difficult to find a way to fill that gap at this particular stage in life.

Q – How do you think retirees could address that challenge?

A – I think we all need to stay active and involved. We all need to stay in touch with our state representatives. Their education on these issues will be important in their decision making process. We also need more input into the policy decisions at the state level that impact us.

We encourage you to view the benefits available to you as a member of GSRA by visiting our contracted vendor, [www.myAMBAbenefits.info/association/gsra](http://www.myAMBAbenefits.info/association/gsra) or at 1-800-258-7041. You will see many discounted products (electronics, vacation) and benefits, such as long-term care or dental insurance.



## Endorsed 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](http://www.myAMBAbenefits.info/gsra)



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## Welcome SHBP RETIREES

### We're back!

We are honored and look forward to serving you in 2015!




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