

**GSRA 2017 Annual Meeting
October 16-17
Columbus Convention and Trade Center
Columbus, Georgia**

Georgia's Pension Systems Continue in Acceptable Funded Ranges

The Boards of the Employees Retirement System and the Teachers Retirement System met on April 20, 2017 and May 17, 2017, respectively. Of importance on each Board's agenda was a review and discussion of the actuarial reports as of June 30, 2016, and the facts that impacted changes. The reports also show demographic and financial information for FY 2016 and in some cases historical data also.

The ERS report shows a funded percentage at the end of FY 2016 of 74.7% an increase of .6%; the TRS report shows a funded percentage at the end of FY 2016 of 74.3 a decrease of 4.8%. The primary reasons for the changes are the low investment returns, increase in number of retirees resulting in lower active to retiree number, and a change (TRS) in the interest rate smoothing for actuarially valuing assets. The changes resulted in funded percentages in the ADEC¹ employer contribution rate for ERS of 24.66% (down from 24.69%) and for TRS 20.90% (from 16.81%).

Although the number of state employees decreased from 60,416 in 2015 to 59,766 in 2016 and the number of teachers increased from 213,990 in 2015 to 218,193

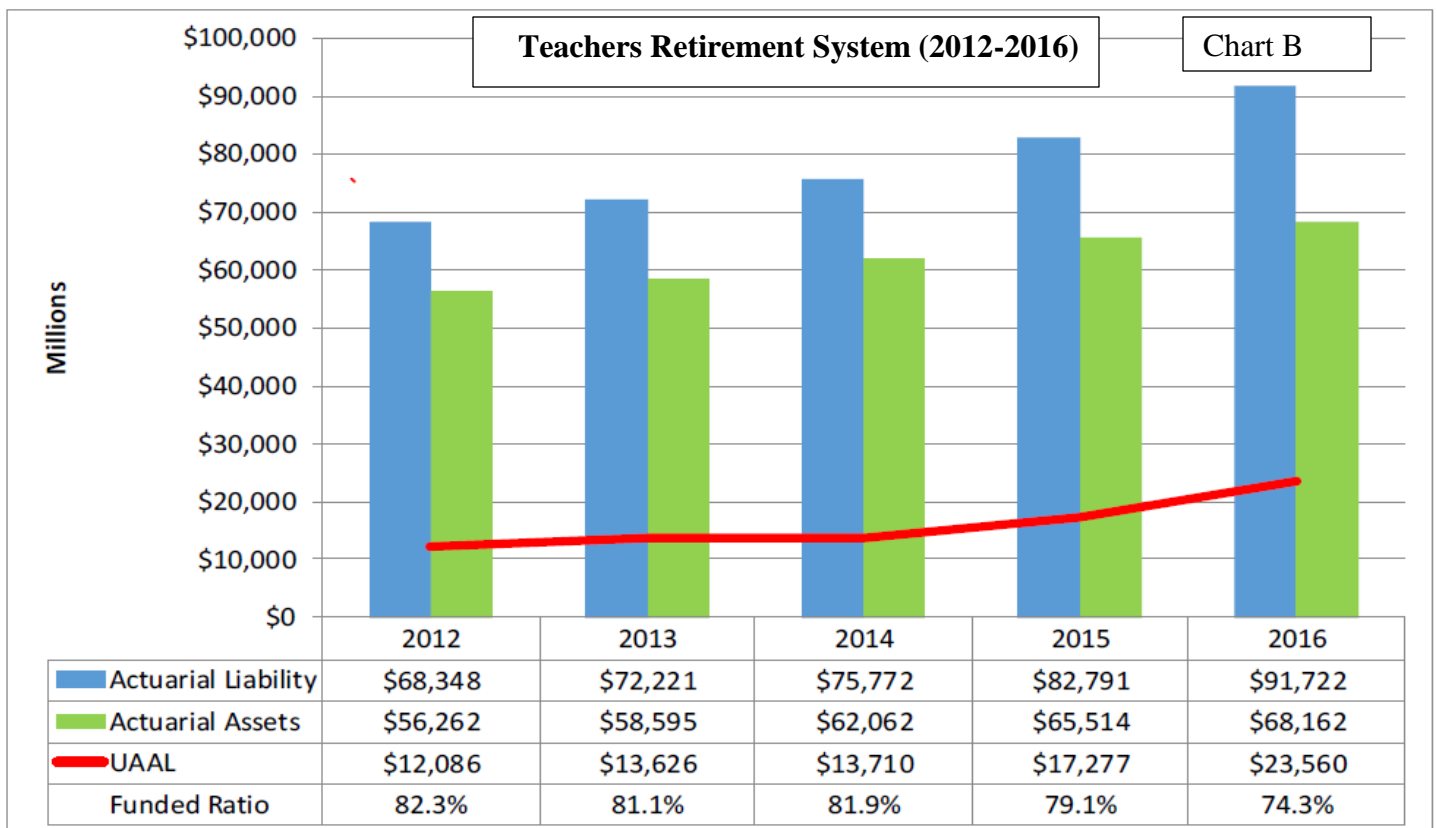
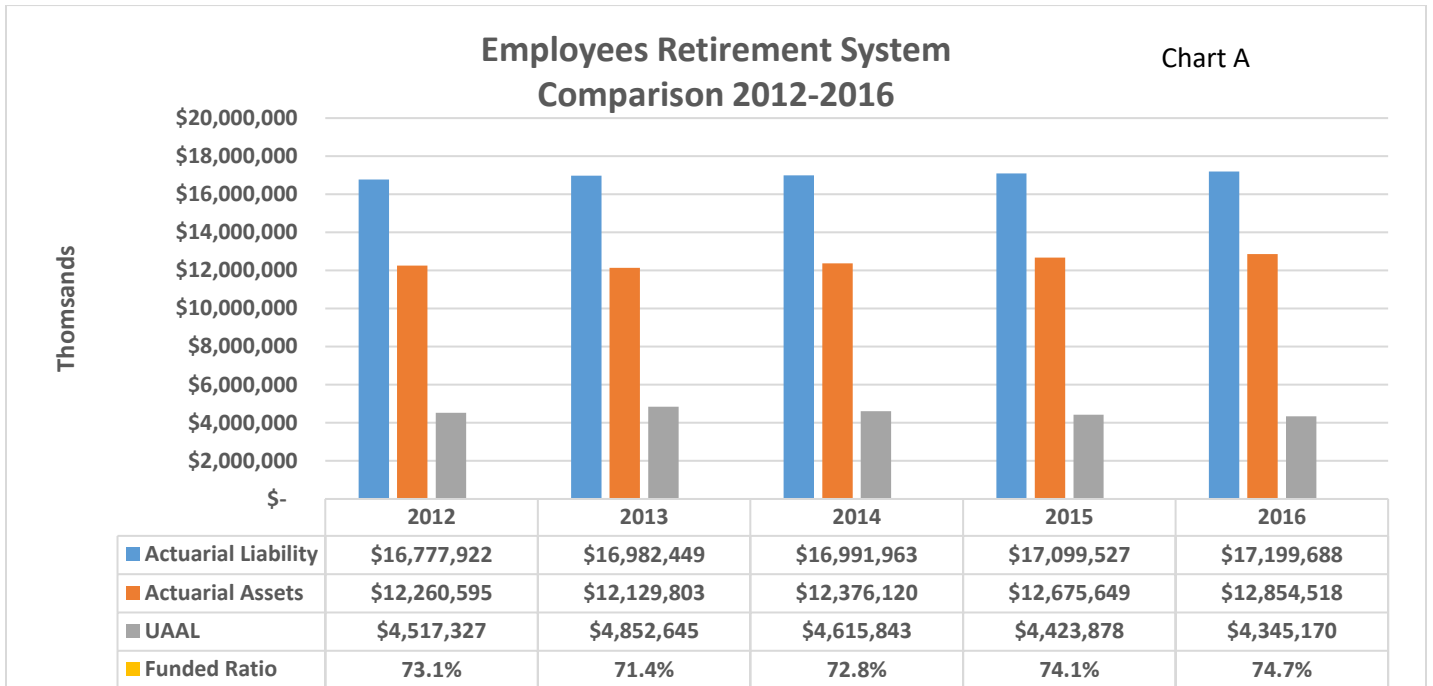
in 2016, the average active salary increased from \$38,945 to \$39,895 for state employees and from \$48,354 to \$49,420 for teachers. Reports showing the numbers of active personnel with less than 5 years of service show substantial turnover in both ERS and TRS pension systems.

Charts A and B compare the Actuarial Assets and Liabilities, Unfunded Actuarial Assets Liability and Funded Ratios for the Employees Retirement System and the Teachers Retirement for the last five years (2012 through 2016). The good news is that the ERS funded percentage increased – albeit only .6% in 2016 -- but an increase. Unfortunately, the funded ratio for the TRS dropped from 79.1% in 2015 to 74.3% in 2016.²

Both systems experienced investment returns of 1.4% during 2016. In calculating systems' liabilities, the ERS retained its smoothing investment return for future years – in accordance with the Board's Funding policy. However, the TRS changed its smoothing investment return from 7.5% to 7.0% for future years, resulting in a greater unfunded liability.

¹ Actuarially Determined Employer Contribution.

² Note the difference in the comparisons – the ERS is in Thousands and the TRS is in Millions (both taken from the actuarial reports).



Based upon the Unfunded Actuarial Accrued Liabilities, the ERS employer contribution (ADEC) for FY 2019 is set at 24.66% (down from 24.69%) of active employee

salaries, and the TRS employer contribution (ADEC) for FY 2019 is set at 20.90% (up from 16.81%) of active teachers salaries.



Kip's View: A Positive Meeting

On Wednesday, May 10, 2017, Steve Herndon, GSRA President-Elect, Stan Jones of Nelson-Mullins, our Legislative Liaison, and I met with Mr. Lonice Barrett, Chairman of the ERS Retirement Board, and Ms. Teresa MacCartney, Chief Financial Officer and Director of the Governor's Office of Planning and Budget. The meeting was to express GSRA's support of efforts to improve the funded liability of the ERS Retirement fund. It is our hope that the Governor in his 2018 Budget will include funds for another immediate increase to retiree benefits to continue efforts to help retirees keep up with inflationary increases and potential loss of purchasing power, and some additional contribution to the ERS retirement fund to help buy down the unfunded liability at a faster rate than the current 25-year buy-down rate.

Combined, these two suggested remedies will provide a continued short-term and long-term solution to the ERS Retirement Fund issues.

While the meeting yielded no firm commitment to address this problem, there was a positive discussion of the issues facing the upcoming budget, and a willingness to consider our request. It was also noted by Ms. MacCartney and Chairman Barrett that they appreciated the manner in which this subject has been approached and the cooperative approach that GSRA has taken in the matter. Both have committed to attend our Annual Meeting in Columbus, Georgia to continue this dialogue. We look forward to seeing them and you at our Annual Meeting in October in Columbus, Georgia on October 16th and 17th!

Kip

Local Chapter News

Athens

The Athens Area local chapter met on April 11, 2017 for a Legislative Appreciation Day. The breakfast meeting, which the chapter has found helps draw local legislators, was held at Brett's Restaurant in Athens. This is the seventh time the Athens chapter has hosted this event and invited legislators.

There were thirty members in attendance and several GSRA Board Members attended, including Kip Mann, President; Steve Herndon, President-Elect; and Chuck Freedman; Legislative Liaison. Legislators attending the breakfast included Senator Frank Ginn and Representatives Regina Quick, Terry England, Tommy Benton, Chuck Williams, and Spencer Frye.

Like last year, chapter members had the special news of a bonus to be added to our pension. Both years we had something specific to thank our legislators for supporting, and we made sure they felt our appreciation. We feel like the breakfast recognition event has been an excellent way for chapter members to build rapport with our local legislators.



GSRA President Kip Mann enjoys breakfast with legislators

Northwest Metro

Chapter President Ken Cochran convened the Northwest Metro chapter's spring meeting on May 2nd, 2017 at the Cobb Central Library in Marietta. Twenty seven members were in attendance.

Chapter members welcomed Steve Herndon, GSRA President-Elect, who provided a very informative presentation on many topics of interest. Steve shared details about a "getting to know you" meeting between GSRA Board members and DCH and SHBP officials. He provided an overview of the ERS Board Meeting, held on 4/20/17, and discussed the demographics, funding issues, and economic factors impacting the ERS retirement funds and our COLAs. He also covered House Retirement Committee meetings and relevant pending legislation.

Steve said he and Kip have a meeting scheduled in May with Teresa MacCartney, OPB Director and CFO of the State of Georgia. The meeting will also include Lonice Barrett, Chair of the ERS Board, and GSRA lobbyist Stan Jones.



NW Metro Treasurer Tom Hill, President Ken Cochran, GSRA President-Elect Steve Herndon and past chapter President Jim Summerville

SW Georgia

On May 3rd members of the SW Georgia chapter of GSRA met at the Golden Corral restaurant in Albany. State General Assembly members representing SW Georgia updated members on the 2017 session.

Topics discussed included: State budget, economic status of the State, COLAs, TRS vs ERS, State Health Benefit Program and the most recent one time salary adjustment. The program ended with the General Assembly

members responding to questions from the audience.

Chapter President Bob Pollock and all members present thanked the members of the General Assembly for the one time salary adjustment and for their continued support of GSRA.



Rep. Gerald Green, Rep. Darrel Ealum, Rep. Winfred Dukes, Rep. Ed Rynders, SW Ga Chapter President Bob Pollock, Sen. Greg Kirk and Sen. Freddie Powell Sims

Enroll in Pension Deduction

If you receive a retirement benefit from the Employees Retirement System, keep your GSRA membership current the convenient way. Consider having your GSRA dues deducted from your monthly benefit.

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You never have to worry about renewing your membership again and GSRA benefits by keeping our membership current!

Thomasville Local Chapter Hosts Regional Meeting

The Thomasville Local Chapter is in the final stages of planning its third GSRA Regional Meeting on Wednesday, June 14th. The meeting is a great chance for GSRA members to hear from GSRA leadership, State Health Benefit Plan administrators, area legislators and more. All area active and retired state employees, educators, and auxiliary school personnel are invited and encouraged to attend. The meeting is scheduled for 11:00 am and will be held at the Thomas County Public Library at 201 N. Madison Street in Thomasville.

The program will include the following:

Welcome	Thomasville Assistant City Manager
State Health Benefit Plan News	SHBP Chief Administrator Jeff Rickman
Future Goals for GSRA	GSRA President Kip Mann
Legislative Process	GSRA Legislative Chair Chuck Freedman GSRA Legislative Liaison Chuck Clay
Special GSRA Legal Fund Project	Treasurer Harold Grindle
2017 Legislative Session Review	Area Legislators
Stages of Alzheimer's Disease	Guest Invited

Lunch will be served during the meeting and all GSRA members, all area active and retired state employees and educators, as well as auxiliary school personnel, are cordially invited to attend. Please RSVP to thomasvillegsra@rose.net by June 10th.

April New Members

Name	County	Name	County	Name	County
Cathy Brackett	Lumpkin	Dottie Harrington	Muscogee	Sharon Wilder	Henry
Rebecca Cabe	Upson	Cindy Smith	Brantley		
Jacqueline Chappell	Whitfield	Gary Whidby	Rockdale		

2017 GSRA Annual Meeting October 16-17, 2017- Columbus Convention & Trade Center Columbus, Georgia

The GSRA Annual meeting is shaping up to be both informative and fun for GSRA members and prospective members. Confirmed speakers include Commissioner Frank Berry and Deputy Commissioner Andrew Johnson of Community Health and Division Chief of State Health Benefit Plan Jeff Rickman. Invited speakers include Executive Director Jim Potvin and Board of Trustees Chair Lonice Barrett of the Employees Retirement System. In addition, we are planning to invite Senator Renee Unterman and Representative Richard Smith to discuss the proposed legislation on “No Surprise Billing” when the member was unaware of being treated by a non-network health care provider.

During the Annual Meeting, there will not be time to ask questions from the floor so we are asking that any questions for any of the speakers be submitted by email (help@mygsra.com) or letter (GSRA, PO Box 108, Bethlehem, GA 30620) by October 5, 2017. The questions will be given to the speakers prior to the meeting.

Additional information will be provided in future notices and made available on the GSRA website, www.mygsra.com.

The screenshot shows the GSRA website navigation menu on the left with options for BENEFITS, TRAVEL, ELECTRONICS, and LIFE STYLE. The main content area features two promotional banners. The top banner is for "Orlando Employee Discounts" with the text: "Save up to 35% on Your Orlando Vacation! Exclusive Pricing on Hotels & Vacation Homes in or nearby Disney World & Universal Studios Orlando as well as discounts on tickets for Disney World, Universal Studios Orlando, Sea World, and ALL Orlando Area Theme Parks and Attractions! 877.413.3557 (Discount code: AMBA) | www.OrlandoEmployeeDiscounts.com (Enter user name: AMBA)". The bottom banner is for "AMBA TravelPerx" with the text: "AMBA Travel Perx brings the best values in vacations to association members. Special offers are available on fantastic cruises, resorts, and escorted tour vacations to the Caribbean, Mexico, Panama Canal, Europe, Alaska, South America, and Asia. Members can call 1.800.480.4080 or visit www.ambatravelperx.com." To the right of the AMBA banner is a list of bullet points: "Cruises are priced extremely low!", "Numerous ports to choose from!", and "Plan your getaway today!".

See your GSRA/AMBA benefits by visiting www.myambabenefits.info/association/gsra/benefits/1.

How Can We Help?

If you have questions or need help with anything to do with GSRA, please contact help@mygsra.com or call 770-312-2799. Let us help you!



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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

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*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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