

Employees' Retirement System of Georgia

Employee Newsletter

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Retirement Answers

Do you have questions about your retirement plan?

ERSGA is here to assist state employees with all of their retirement plan related questions. For immediate assistance, employees can call our office at (404) 350-6300, or toll free at (800) 805-4609 (outside metro Atlanta area), Monday through Friday, between 8:00 am and 4:30 pm. A knowledgeable representative is available to help. If the phone call doesn't answer all of your questions, you may request an appointment to speak with an ERSGA representative in person. A representative will call you back to schedule the appointment. If you arrive at our offices without a scheduled appointment, we will do our best to assist you, but we cannot guarantee that we will be able to see you right away, or even that same day.

If you are coming to our offices for either a scheduled or unscheduled appointment, please be aware that we cannot run a calculation, or process any forms while you are here. Appointments are times when we can answer questions, take requests for calculations, and accept forms and paperwork. If you have a question about the amount of your retirement benefit, you should request and receive the calculation estimate before requesting an appointment to discuss it.

Another great resource for employee-related questions is our website, www.ers.ga.gov. Please visit our [website](#) to review your pension handbook. If you are completing your Retirement Application, please go to the [Seminars](#) page on the website and view an online version of our WRAP presentation. For personal information, you can sign on to "[account access](#)" to view your contribution balance and service, review and update your beneficiaries, and generate an estimate of your retirement benefit.



If you change your address after leaving state employment, please update your address [online](#) or give us a call.

Leaving State Employment?

If you're leaving state employment, don't forget you've earned a benefit from your Retirement System! Your benefit will depend on your salary, plan, and length of creditable service.

ERS, PSERS, GJRS, or LRS

If you meet the following criteria, you are eligible for an immediate retirement benefit. You can download a [Retirement Application](#) from our website, or call our offices for assistance.

ERS	25 or more years of service (including forfeited leave)
	OR
	Age 60 or more with 10 or more years of service (including forfeited leave)
PSERS	Age 60 or more with 10 or more years of service
GJRS	Age 60 or more with 10 or more years of service
LRS	Age 60 or more with 8 or more years of Membership service

If you have at least 10 years of service (8 years for LRS), but are not eligible for an immediate retirement benefit, you will be eligible for a retirement benefit at age 60. You may [access your account](#) on our website and generate a Benefit Estimate to see your monthly pension benefit. You must complete a Retirement Application no earlier than 90 days and no later than 30 days prior to receiving your first pension payment.

Remember, you should have a current estimate of your pension benefit BEFORE you complete your Retirement Application.

If you do not qualify for a monthly pension either now or at age 60, or if you choose to waive your monthly pension, you are eligible for a refund of your contributions and interest after you leave state employment. Your account balance is available on our website. To receive the refund, download a [Refund Application](#) or call our office for assistance. If you have been a member of the ERS plan and may possibly return to state employment within the next four years, you may consider leaving your contributions in the plan to continue building your retirement benefit when you become re-employed with the State of Georgia.

Georgia Defined Contribution Plan (GDGP)

If you were a part-time or temporary employee contributing to GDGP, you are entitled to a refund of your account balance at termination of employment, or upon becoming a full-time ERS member. If we have received confirmation of your termination from your employer, you will be able to Request a Refund [online](#). Once you receive a confirmation that your refund has been submitted, it generally takes 4 – 6 weeks for you to receive the check for your refund.



Employee Webinars

In effort to keep our members better informed of their future retirement benefits, ERSGA conducts webinars for employees to learn more about such benefits. The webinars cover a variety of topics related to both the retirement system and Peach State Reserves 401(k) and 457 Investment Savings Plan. Information on the webinars and registration for the web classes can be found at the following web link: <http://www.ers.ga.gov/seminars/webinars.aspx>. Please sign up to attend an upcoming webinar.

Important Information

Peach State Reserves 401(k)/457 Investment Option Changes

The last few years have featured turbulent markets and challenging times, particularly for those who value stability of principal while trying to achieve a reasonable level of interest income. In response to these new challenges, the Peach State Reserves 401(k) and 457 plans will be making some investment menu changes. The changes will impact the choices available for those who want more secure, shorter term savings vehicles.

With the emergence of new investment funds that offer many of the same benefits of stable value, we have made the decision to close our Stable Value Fund and open three new funds which, together or separately, may provide more efficient investment outcomes for participants. For those who desire a very liquid, short term vehicle, we will be offering a Money Market Fund. For those who would like the potential for a higher yield, we will be offering two new Target Maturity Bond Funds that are designed to achieve yields higher than a money market fund, and which also will offer greater security of principal compared to more traditional short-to-medium term bond funds.

These new options will be introduced on Friday, September 28, 2012. The Stable Value Fund will be closed to new investments as of 4 p.m. (or market close) on Thursday, September 27, 2012. Transfers out of the Stable Value Fund will be available through 4 p.m. (market close) September 28, 2012, after which any remaining Stable Value balances will be transferred to the two new Target Maturity Bond Funds, split equally. After September 28, any actively-contributing employee with an investment election in the Stable Value Fund will have their investment elections from the Stable Value Fund realigned to a 50% weight in the 2015 Target Maturity Bond Fund and a 50% weight in the 2017 Target Maturity Bond Fund (any other investment allocations will remain unchanged).

For more information on the new funds or to make transfers or reallocations, access your account on the GaBreeze website at gabreeze.ga.gov or call GaBreeze at 1-877-342-7339. New fund information is located in the Plan Information section of the website.

Georgia State Income Tax Offset to Be Discontinued for ERS

During the August Board meeting of the Employees' Retirement System (ERS), the Board of Trustees voted to discontinue the 3% tax offset adjustment for ERS members whose effective date of retirement is on or after July 1, 2013. Members who retire on or before June 1, 2013 will continue to receive the 3% tax offset adjustment and will not see a decrease to their retirement payment.

Prior to 1989, Georgia did not include income from Georgia state retirement systems as taxable income. However, the United States Supreme Court ruled in 1989 that each state must treat the taxation of federal and state retirement benefits in the same manner. In response to this ruling, the Georgia General Assembly enacted legislation in 1990 to authorize the ERS Board and other retirement system Boards to grant a special benefit increase to retirees receiving benefits on July 1, 1990 to at least partially offset the taxation of state retirement benefits. The benefit increase was only to be

applied to the first \$37,500 of annual income from the ERS plan.

Georgia's tax code has been amended throughout the years to increase the amount of retirement income exclusion. As of Calendar Year 2012, the amount of the exclusion is up to \$35,000 for all retirees aged 62-65, and up to \$65,000 for retirees aged 65 and older. ERS retirees who are at least 62 years old are currently receiving a double benefit by receiving both the tax offset and the tax exclusion collectively for the same retirement income. With this tax exclusion in place, the original intent of the 3% tax adjustment is no longer valid once a retiree reaches age 62.

The Board of Trustees is committed to maintaining its position as the guardian of the retirement plans it administers by making necessary changes to ensure financial stability and actuarial soundness as required by Georgia law. For the last several years, it has been necessary to increase the employer contribution rate

to the plan. Discontinuing the tax adjustment, which is a discretionary feature of the plan, is part of the overall management of the plan for the protection of the members, retirees, and beneficiaries the retirement system serves.

The discontinuation of the 3% tax offset does not impact the retirement benefit calculation that is defined in Georgia Law. Retirement estimates produced by ERS do not include the 3% tax adjustment (and never have) as this has always been a discretionary adjustment granted only at the time of retirement.

Please feel free to contact our office if you have any questions or concerns regarding this change.

People

Meet the ERSGA Leadership Team

Jim Potvin, Executive Director

Jim Potvin was appointed as Executive Director of the Employees' Retirement System of Georgia (ERSGA) in February, 2012. He joined ERSGA in February, 2009, and served as Deputy Director for three years.

Jim spent 15 years in private industry working in retirement plan administration and consulting. He began as a pension administrator for Georgia-Pacific Corporation, before moving into a consulting role with Arthur Andersen LLP. He later joined Hewitt Associates, a global HR consulting firm, as the Location Manager for the RFM Pension Administration outsourcing group.

A native of Connecticut, Jim holds a B.A. in Mathematical Economics and Managerial Studies from Rice University, and an M.S. from Georgia State University. He is a member of the National Association of State Retirement Administrators.

Carlton Lenoir, Chief Financial Officer and Director of Fiscal Management

Carlton joined ERSGA in November 2005. He served as the System Business Analyst for the Pension and Retirement Information System (PARIS) Project helping to bridge the gap between the functional teams and the consultant – BearingPoint. After a successful system implementation in 2007, he was appointed as the Director of the Financial Management Group (FMG). As the FMG Director, he is responsible for employer services and pension payroll.

Prior to joining ERSGA, Carlton worked for 17 years in Illinois at the Public School Teachers' Pension and Retirement Fund of Chicago. During his time there he founded the Payroll Audit Division – group responsible for managing Chicago Public School employer accounts and the annual active teacher accounts audit. He also served as the Fund's Internal Auditor and Benefits Director.

Carlton holds a B.S. in Business Administration from American InterContinental University and is a 2013 J.D. candidate at Atlanta's John Marshall Law School.

Susan Anderson, Chief Operations Officer and Director of Member Services

Susan joined ERSGA in January, 2010, bringing with her almost 30 years of experience in pension plan consulting and administration. She began her career as an actuarial analyst at William M. Mercer LLC in Toronto, Canada and Edinburgh, Scotland, before becoming a Senior Consultant at W.F. Morneau & Associates in Toronto. In 1991, Susan moved into pension administration as an Operations Manager at the Hospitals of Ontario Pension Plan, a large, multi-employer public sector pension plan. In 2000, Susan returned to consulting as a Pension Manager at Hewitt Associates in The Woodlands, Texas and then here in Atlanta.

A native of Toronto, Ontario, Susan holds a Bachelor of Mathematics from the University of Waterloo and an M.B.A. from the University of Toronto. She is married and has three children.

Chris Hackett, Director of Information Technology

Nicole Paisant, Director of Human Resources

Kelly Moody, Legislative Liaison and Communications Manager

Danise Thaxton, Executive Assistant to the Director

Pictured

Front Row: Kelly Moody, Danise Thaxton, Susan Anderson
Back Row: Chris Hackett, Jim Potvin, Carlton Lenoir

Not pictured: Nicole Paisant



Commitment that Goes Above, Care that Goes Beyond

ERSGA's Customer Care Group

The Call Center team wanted to be different. They changed their name to the "Customer Care Group" (CCG) to reflect their true commitment to excellence and quality service delivery. CCG is a team of dedicated employees who are responsible for delivering accurate, detailed, and timely information to our members, retirees, beneficiaries, and employers. A vital part of our Member Services Division, CCG is typically the first point of contact for ERSGA. Each member of CCG is committed to providing the best customer experience possible, while answering inquiries ranging from form requests to the rules and regulations governing the various retirement plans.

CCG is responsible for communicating clear and concise retirement plan information. They are courteous, helpful, accessible, responsive and knowledgeable. To promote a cohesive team environment, the CCG Spirit Committee celebrates "Synergy Wednesdays" with lunches and other special events. CCG takes pride in giving their all, as they proudly display their motto on team shirts: "Commitment that Goes Above, Care that goes Beyond."



Pictured from left to right:
Natasha Harvey, Jannette Goodwin, Shantel Warren, Angela Sansbury, Lynita Smith, Latoya Rogers-Bradley, Dana Neilly

CCG at a Glance - 2012 Fiscal Year

- Calls received: 89,145 Calls answered: 85,309
- CCG handles 1,640 calls per week
- Abandonment rate < 4%
- All calls answered within 60 seconds
- The team also makes out-bound calls, returning all voice mail messages
- CCG processes customer requests
- Calls are randomly monitored on a weekly basis to provide timely feedback and to ensure delivery of the highest quality of Customer Service.
- New team members must successfully complete extensive training before "going live" on the phones. CCG meets often to stay abreast of the rapid changes that occur within the state.

"Thank you for your warm manner and quick response to my request"

"She was very professional, patient and very courteous in answering my questions"

Meet the Board

ERSGA would like to take this opportunity to introduce our Board of Trustees and provide some background information on each. The ERS Board of Trustees consists of three ex-officio members, a Governor's appointee, an investment expert, and two members with at least five years of ERS membership.

Harold Reheis

Board Chair and Investment Committee Member
Term Expires: 6/30/2016

Mr. Reheis retired from the State of Georgia as the Director of the Environmental Protection Division of the Department of Natural Resources and has over 33 years of state service.

Frank F. Thach, Jr.

Vice Chair and Investment Committee Member
Term Expires: 6/30/2014

Mr. Thach retired from the State of Georgia as the Deputy Director of the Georgia State Financing and Investment Commission and has 40 years of state service.

Michael D. Kennedy

Board Member and Investment Committee Member
Term Expires: 6/30/2013

Mr. Kennedy specializes in commercial/investment banking, capital markets, and asset management searches, with broad private equity and corporate finance experience.

Steven N. McCoy

Ex-officio Board member and Investment Committee Member
Term Expires: Ex-officio

Mr. McCoy served as the Deputy State Treasurer and Chief Investment Officer from August 2010 to November 2011, at which time he was appointed State Treasurer by the State Depository Board. Mr. McCoy previously served on the Board as the State Treasurer from 1993-1997.

Lonice Barrett

Board Member
Term Expires: 6/30/2015

Mr. Barrett began his career in state government in August 1970 with the Georgia Recreation Commission. In November 1972, he transferred to the Department of Natural Resources and continued with this department until August 2004, at which time became the Director of Implementation for the Commission for a New Georgia, Office of Governor Sonny Perdue. He retired on December 1, 2006 and is currently Special Assistant to the Governor.

Sid Johnson

Ex-officio Board Member
Term Expires: Ex-officio

Mr. Johnson is Commissioner of the Department of Administrative Services and previously served as Administrator for the Governor's Office of Consumer Protection, Director of Stimulus Accountability and Director of Implementation for the Commission for a New Georgia.

Greg Griffin

Ex-officio Board Member and Investment Committee Member
Term Expires: Ex-officio

Mr. Griffin was appointed State Auditor by Governor Nathan Deal on July 1, 2012. Prior to his appointment, Mr. Griffin had held the position of State Accounting Officer for the State of Georgia since 2008. He has over 30 years of experience in accounting, auditing, and financial reporting.



ERSGA Member Self-Service

Did you know you can manage your account through our secure self-service website?

On our secure site, <https://secure.ers.ga.gov>, you can:

- View your accounts, including total contributions and interest and total service credit
- View and make changes to your beneficiaries
- Run a retirement estimate (even new employees) using the same program and data ERSGA uses:
 - User-friendly
 - Can run estimate based on service or disability retirement
 - Can be determined by age, years of service, or proposed retirement

Register for access to the Member Self-service website today!

The screenshot shows a web browser window titled "Employees' Retirement System of Georgia: Member Desktop - Microsoft Internet Explorer provided by ERSGA Internet Explorer". The address bar shows the URL "https://secure.ers.ga.gov/Member/MemberDesktop.aspx". The browser's menu bar includes "File", "Edit", "View", "Favorites", "Tools", and "Help". The page content features the ERSGA logo with the tagline "Serving those who serve Georgia". Below the logo is a navigation bar with "home" and "logout" links. The main content area is titled "Jamie Jones - ERS" and includes a welcome message: "Welcome to the ERSGA Active Member Self-Service Desktop." It explains the site's purpose and provides instructions on how to use the site. A list of service options is displayed, each with a question mark icon:

- View/Update Profile Information**: This section contains the personal information (name, date of birth, etc.) we currently have on file for you.
- Generate Benefit Estimate**: You may use this calculator to generate your estimated retirement benefit.
- Update Beneficiaries**: This section allows you to update your beneficiaries.
- View Account Summary**: In this section, you may view and print a summary of your account including contributions, interest and creditable service.
- Calculate Refund Payback Cost**: If you have previously received a refund, this section allows you to recalculate an estimated cost for buying back that service.
- Change ERSGA Record**: This option is only available if you are enrolled in more than one ERSGA plan (for example ERS and PSERS), or if you are receiving a payment from ERSGA, and wish to view this information.
- Logout**: This section allows you to log out of the secure ERSGA site.

At the bottom of the page, the copyright notice reads: "Copyright © Employees' Retirement System of Georgia 2010". The browser's status bar at the bottom shows "Done", "Internet", and "100%" zoom level.