

0	00:00:00:23	00:00:03:16	(dramatic music)
1	00:00:14:28	00:00:15:28	- Good evening, Georgia.
2	00:00:15:28	00:00:18:12	This is "HR Hour." I'm Tony Harris.
3	00:00:18:12	00:00:19:24	- And I'm Beth Pilgreen.
4	00:00:19:24	00:00:21:21	Our program tonight plumbs the depths
5	00:00:21:21	00:00:23:21	of a subject strong on the minds
6	00:00:23:21	00:00:26:18	of brand new employees with the state of Georgia,
7	00:00:26:18	00:00:28:06	the day they retire.
8	00:00:28:06	00:00:31:11	- Beth, I must say your aura is powerful.
9	00:00:31:11	00:00:34:24	I'm sensing your energy field is clear and calm as well.
10	00:00:34:24	00:00:35:24	- Hey, thanks.
11	00:00:35:24	00:00:37:06	I never know what you mean, Tony,
12	00:00:37:06	00:00:39:00	but for this particular show,
13	00:00:39:00	00:00:42:27	I left tired on the floor and dawned retired.
14	00:00:42:27	00:00:44:01	- [Tony] And it suits you.
15	00:00:44:01	00:00:46:03	- Don't worry, Tony. I'm not actually retiring.
16	00:00:46:03	00:00:48:28	Georgia's new hires need their "HR Hour."
17	00:00:48:28	00:00:52:16	I'm told they practically devour our shows all at once.
18	00:00:52:16	00:00:55:00	That means that "HR Hour is binge-worthy.
19	00:00:55:00	00:00:57:22	Besides, I would never desert you at the desk.
20	00:00:57:22	00:00:59:02	- Oh, Beth. That's okay.
21	00:00:59:02	00:01:01:19	I know several suitable replacements.
22	00:01:01:19	00:01:03:11	Follow your path.
23	00:01:04:27	00:01:07:10	Starting day one of your new position,
24	00:01:07:10	00:01:09:08	you begin earning creditable service
25	00:01:09:08	00:01:11:07	towards your retirement benefit
26	00:01:11:07	00:01:13:23	with the Employees' Retirement System of Georgia,
27	00:01:13:23	00:01:15:28	also known as ERSGA.
28	00:01:16:24	00:01:19:01	- New full-time state of Georgia employees
29	00:01:19:01	00:01:22:07	are automatically in the Georgia State Employee's
30	00:01:22:07	00:01:26:15	Pension and Savings Plan, also known as GSEPS Plan.
31	00:01:26:15	00:01:29:06	Gee, that's fun to say, Tony.
32	00:01:29:06	00:01:32:07	It covers state employees hired since 2009.
33	00:01:32:07	00:01:35:16	New state employees covered under a plan other than GSEPS,
34	00:01:35:16	00:01:40:01	and rehired ERS retirees can visit the ERSGA website
35	00:01:40:01	00:01:41:28	for additional plan information.
36	00:01:41:28	00:01:45:10	- The GSEPS. Huh, that is fun to say.
37	00:01:45:10	00:01:46:28	The GSEPS retirement package
38	00:01:46:28	00:01:49:06	is an incredible employee benefit.
39	00:01:49:06	00:01:50:19	To receive the full benefit,
40	00:01:50:19	00:01:53:05	new hires must actively participate.
41	00:01:53:05	00:01:56:09	GSEPS is a two part hybrid retirement plan,
42	00:01:56:09	00:01:59:03	one half ERSGA pension plan,
43	00:01:59:03	00:02:01:23	which is a lifetime monthly benefit at retirement.

44 00:02:01:23 00:02:05:22 And one half Peach State | Reserves 401k plan,
45 00:02:05:22 00:02:08:20 which has a matching | employer contribution.
46 00:02:08:20 00:02:11:00 - Well, let's start with that | pension you mentioned, Tony.
47 00:02:11:00 00:02:14:14 State employee benefits | are based in Georgia law.
48 00:02:14:14 00:02:17:08 By law, the state cannot | use the pension fund
49 00:02:17:08 00:02:20:01 for anything other than | its intended purpose.
50 00:02:20:01 00:02:23:15 The state also assumes the | investment risk for your pension.
51 00:02:23:15 00:02:24:27 So, if the stock market goes down,
52 00:02:24:27 00:02:26:29 you don't have to worry about the security
53 00:02:26:29 00:02:28:16 of your pension benefit.
54 00:02:28:16 00:02:30:23 That's what I call good news.
55 00:02:30:23 00:02:32:20 I'm not the best predictor | of market performance,
56 00:02:32:20 00:02:34:05 so I don't want to add my pension
57 00:02:34:05 00:02:36:00 to the mounting list of losses.
58 00:02:36:29 00:02:38:26 Tony, have you ever | dabbled in investments?
59 00:02:38:26 00:02:40:23 - Only gains in my world, Beth.
60 00:02:40:23 00:02:42:13 - Why am I not surprised?
61 00:02:42:13 00:02:44:28 - Under the GSEPS plan, | an employee contributes
62 00:02:44:28 00:02:48:15 1.25% of pay every pay period
63 00:02:48:15 00:02:51:01 on an after tax basis to the pension plan.
64 00:02:51:01 00:02:52:15 That means your contribution is made
65 00:02:52:15 00:02:54:06 after taxes have been taken out.
66 00:02:54:06 00:02:57:02 Your employer also contributes | towards your pension,
67 00:02:57:02 00:03:00:23 and significantly more than | you do each pay period.
68 00:03:00:23 00:03:04:10 Newsflash, that is a major | employee benefit, Beth.
69 00:03:04:10 00:03:05:24 - No truer words, Tony.
70 00:03:05:24 00:03:07:24 - That GSEPS employer contribution
71 00:03:07:24 00:03:09:21 is my second favorite perk of this job.
72 00:03:09:21 00:03:10:21 - Oh yeah? What's the first?
73 00:03:10:21 00:03:13:07 - Well, the tiny umbrellas that they put
74 00:03:13:07 00:03:14:17 in my cup every day.
75 00:03:14:17 00:03:15:12 I mean, what a treat?
76 00:03:15:12 00:03:16:28 It's like I'm already retired.
77 00:03:16:28 00:03:18:09 - Tiny umbrellas, huh?
78 00:03:18:09 00:03:19:07 - Yeah.
79 00:03:19:07 00:03:21:10 - It's cute. I haven't seen those.
80 00:03:21:10 00:03:23:29 Can I get an umbrella, PA guy?
81 00:03:23:29 00:03:28:15 - Your pension benefit for the | GSEPS plan is formula based.
82 00:03:28:15 00:03:30:26 You receive 1% of your formula salary
83 00:03:30:26 00:03:33:01 for each year of creditable service.
84 00:03:33:01 00:03:36:10 To qualify for the GSEPS | pension benefit with ERS,
85 00:03:36:10 00:03:37:25 you must be vested.
86 00:03:37:25 00:03:38:28 And this is important.
87 00:03:38:28 00:03:40:21 Vesting is the permanent right

88	00:03:40:21	00:03:44:06	to a retirement pension benefit at a retirement age.
89	00:03:44:06	00:03:45:17	You vest in your pension
90	00:03:45:17	00:03:47:18	with 10 years of creditable service.
91	00:03:47:18	00:03:51:13	Once vested, you will never outlive your pension income.
92	00:03:51:13	00:03:53:05	It's a beautiful thing, Beth.
93	00:03:53:05	00:03:54:00	- It is.
94	00:03:54:00	00:03:56:09	However, our sources reveal that if you leave
95	00:03:56:09	00:03:58:21	state employment before vesting at 10 years of service,
96	00:03:58:21	00:04:01:23	you will not receive a lifetime pension.
97	00:04:01:23	00:04:03:29	You'll receive a refund of your contributions
98	00:04:03:29	00:04:05:21	plus a set interest rate.
99	00:04:05:21	00:04:07:27	You also forfeit your employer's contributions
100	00:04:07:27	00:04:09:23	made toward your pension.
101	00:04:09:23	00:04:12:19	Vesting in your pension is one of the many benefits
102	00:04:12:19	00:04:15:25	associated with a long-term career with the state.
103	00:04:15:25	00:04:18:01	Once you vest, you'll have a guaranteed
104	00:04:18:01	00:04:20:20	1% pension benefit for each year of service
105	00:04:20:20	00:04:22:13	in the GSEPS pension plan.
106	00:04:22:13	00:04:25:10	- For detailed information about your GSEPS plan,
107	00:04:25:10	00:04:28:01	visit the ERSGA website.
108	00:04:28:01	00:04:31:22	Now, let's move on to the second part of the GSEPS benefit,
109	00:04:31:22	00:04:36:07	the employer matching 401k through Peach State Reserves.
110	00:04:36:07	00:04:38:28	New state employees are automatically enrolled
111	00:04:38:28	00:04:41:14	in the Peach State Reserves 401k Plan.
112	00:04:41:14	00:04:44:13	This is a traditional pretax contribution rate
113	00:04:44:13	00:04:47:03	of 5% of your compensation.
114	00:04:47:03	00:04:50:10	You can also make Roth or after-tax contributions.
115	00:04:50:10	00:04:51:26	You can elect Roth contributions
116	00:04:51:26	00:04:53:19	or change your contribution rate
117	00:04:53:19	00:04:57:03	at any time at the Georgia Breeze website.
118	00:04:57:03	00:04:59:01	- More good news for GSEPS members,
119	00:04:59:01	00:05:02:13	your employer helps toward your 401k savings.
120	00:05:02:13	00:05:05:11	If you contribute at least 5% to your 401k,
121	00:05:05:11	00:05:08:21	your employer will contribute 3% on your behalf
122	00:05:08:21	00:05:12:02	for a total 401k contribution of 8%.
123	00:05:12:02	00:05:14:07	- Your 401k plan also includes
124	00:05:14:07	00:05:16:06	investment earnings over time.
125	00:05:16:06	00:05:19:11	Your account is automatically placed in a life cycle fund,
126	00:05:19:11	00:05:22:12	an investment mix that automatically adjusts over time
127	00:05:22:12	00:05:25:03	based on your estimated retirement date.
128	00:05:25:03	00:05:28:00	As a GSEPS member planning a comfortable retirement
129	00:05:28:00	00:05:30:20	depends on both your GSEPS pension
130	00:05:30:20	00:05:35:16	and maximizing your Peach State Reserves 401k savings plan.
131	00:05:35:16	00:05:37:27	- Here's an example of a retiree with 30 years

132	00:05:37:27	00:05:39:04	of creditable service
133	00:05:39:04	00:05:42:15	and an average yearly salary of \$30,000.
134	00:05:42:15	00:05:44:28	Notice the huge difference in the amount you can save
135	00:05:44:28	00:05:47:02	with matching retirement savings.
136	00:05:47:02	00:05:49:17	With a 1% employee contribution,
137	00:05:49:17	00:05:52:13	the employee only got a 1% match,
138	00:05:52:13	00:05:55:04	but saving the full 5% means you receive
139	00:05:55:04	00:05:57:28	the 3% employer match on top of that.
140	00:05:57:28	00:06:00:00	- Clearly, not matching fully
141	00:06:00:00	00:06:01:28	is shortchanging your future self.
142	00:06:01:28	00:06:04:10	We should never shortchange ourselves.
143	00:06:04:10	00:06:06:05	Beth, we are worthy.
144	00:06:07:01	00:06:09:01	- I think I know what you mean this time, Tony.
145	00:06:09:01	00:06:12:21	I always ask for an extra shot in my coffee order.
146	00:06:12:21	00:06:14:27	- Something like that, Beth.
147	00:06:14:27	00:06:17:18	The Peach State Reserves 401k plan is
148	00:06:17:18	00:06:21:01	an absolutely crucial component to your retirement income.
149	00:06:21:01	00:06:22:06	So crucial, in fact,
150	00:06:22:06	00:06:26:19	I have many, many words to say about it. Beth?
151	00:06:26:19	00:06:27:14	- Yes, Tony.
152	00:06:28:10	00:06:30:10	- I have many words to say about
153	00:06:30:10	00:06:32:23	the Peach State Reserves 401k.
154	00:06:32:23	00:06:34:21	- That's excellent, Tony.
155	00:06:34:21	00:06:36:29	- No, Beth. You know what that means.
156	00:06:36:29	00:06:38:11	What's next?
157	00:06:38:11	00:06:40:05	It doesn't really need to be spoken.
158	00:06:40:05	00:06:41:25	Just open your third eye.
159	00:06:41:25	00:06:44:26	- Okay. Last I checked, I only had two.
160	00:06:44:26	00:06:46:05	Could someone in the control room
161	00:06:46:05	00:06:47:24	please explain what he means.
162	00:06:47:24	00:06:49:23	- Your third eye, Beth.
163	00:06:49:23	00:06:53:19	- Oh, it's time for a Tony Harris breakdown.
164	00:06:53:19	00:06:55:09	- I knew you'd get the message.
165	00:06:55:09	00:06:56:20	- I certainly did.
166	00:06:56:20	00:06:59:18	- Vesting in your 401k means that you have the right
167	00:06:59:18	00:07:01:22	to a refund of employer matching contributions
168	00:07:01:22	00:07:04:07	by attaining a certain number of years of service.
169	00:07:04:07	00:07:06:28	You vest in your employer match 20%
170	00:07:06:28	00:07:08:11	for each year of service.
171	00:07:08:11	00:07:09:19	After five years of service,
172	00:07:09:19	00:07:12:12	you are 100% vested in your 401k
173	00:07:12:12	00:07:15:11	employer contributions and earnings.
174	00:07:15:11	00:07:17:05	Peach State Reserves also has very
175	00:07:17:05	00:07:20:11	low administrative fees as a benefit for state workers.

176	00:07:20:11	00:07:22:23	You have the option to roll over 401k
177	00:07:22:23	00:07:25:17	or other retirement funds from previous employers.
178	00:07:25:17	00:07:28:12	Additionally, Peach State Reserves offers
179	00:07:28:12	00:07:31:27	a non-matching 457 retirement savings plan.
180	00:07:31:27	00:07:33:24	Log onto the Georgia Breeze website
181	00:07:33:24	00:07:36:10	to find out all of your account information
182	00:07:36:10	00:07:37:28	for Peach State Reserves.
183	00:07:37:28	00:07:41:12	- Truly spellbinding, those Tony Harris breakdowns.
184	00:07:41:12	00:07:43:01	Turning now to our next story,
185	00:07:43:01	00:07:44:15	a really important step to take
186	00:07:44:15	00:07:46:12	for your family and loved ones.
187	00:07:46:12	00:07:48:21	As a GSEPS member, you will need to designate
188	00:07:48:21	00:07:51:07	a beneficiary in two areas.
189	00:07:51:07	00:07:53:16	Designate your beneficiary by logging in
190	00:07:53:16	00:07:56:13	and accessing your accounts at ERSGA
191	00:07:56:13	00:07:57:24	and Georgia Breeze.
192	00:07:57:24	00:07:59:11	For your GSEPS pension,
193	00:07:59:11	00:08:01:27	you should name a person as your beneficiary.
194	00:08:01:27	00:08:04:18	If you name an estate, trust or organization,
195	00:08:04:18	00:08:07:28	they receive only a refund of your contributions,
196	00:08:07:28	00:08:11:05	and not the lifetime benefit that a person would receive.
197	00:08:11:05	00:08:12:20	Beneficiary designations
198	00:08:12:20	00:08:17:06	on the ERSGA website are for your GSEPS pension only.
199	00:08:17:06	00:08:18:29	You can designate a beneficiary
200	00:08:18:29	00:08:21:08	for your Peach State Reserves 401k
201	00:08:21:08	00:08:23:19	on the Georgia Breeze website.
202	00:08:23:19	00:08:26:02	- You can even name multiple primary
203	00:08:26:02	00:08:27:20	and secondary beneficiaries.
204	00:08:27:20	00:08:29:06	Should your circumstances change,
205	00:08:29:06	00:08:32:01	it is important to update your beneficiaries.
206	00:08:32:01	00:08:32:28	As a new employee,
207	00:08:32:28	00:08:35:26	you can expect to receive welcome communications
208	00:08:35:26	00:08:40:02	from both ERSGA and Peach State Reserves.
209	00:08:40:02	00:08:42:11	You'll also receive retirement minute emails
210	00:08:42:11	00:08:44:17	and other communications, and each spring,
211	00:08:44:17	00:08:47:11	a personalized annual statement is available
212	00:08:47:11	00:08:48:11	for your review.
213	00:08:48:11	00:08:51:03	- This statement includes both the pension and the balance
214	00:08:51:03	00:08:53:17	in your Peach State Reserves 401k.
215	00:08:53:17	00:08:55:23	If applicable, your statement will include
216	00:08:55:23	00:08:59:19	retirement and Social Security projections to age 65.
217	00:08:59:19	00:09:02:03	When you receive notice that this statement is available,
218	00:09:02:03	00:09:03:16	be sure to review it.
219	00:09:03:16	00:09:06:21	- That's right, Beth, check your mail and your emails,

220	00:09:06:21	00:09:08:18	and make sure to visit the websites
221	00:09:08:18	00:09:11:02	for managing your ERSGA account
222	00:09:11:02	00:09:13:10	and your Peach State Reserves Account.
223	00:09:13:10	00:09:15:27	There, you can verify your personal contact information
224	00:09:15:27	00:09:17:27	and designate your beneficiaries.
225	00:09:17:27	00:09:22:27	To learn more about your GSEPS benefit, visit ers.ga.gov ,
226	00:09:23:13	00:09:26:06	and login to your secure desktop.
227	00:09:26:06	00:09:27:10	- And for more information
228	00:09:27:10	00:09:30:27	on your Peach State Reserves 401k, visit gabreeze.ga.gov .
229	00:09:32:26	00:09:36:00	ERSGA and Peach State Reserves are available to assist you
230	00:09:36:00	00:09:38:23	with your retirement goals, and wish you great success
231	00:09:38:23	00:09:41:09	in your new position with the state of Georgia.
232	00:09:41:09	00:09:42:12	- Oh, I've got to tell you, Beth.
233	00:09:42:12	00:09:45:12	These retirement headlines have me and my umbrella
234	00:09:45:12	00:09:48:13	longing for a tropical vacation as I think about,
235	00:09:48:13	00:09:50:27	oh, okay.
236	00:09:50:27	00:09:52:28	That obviously does it for me and Beth.
237	00:09:52:28	00:09:55:12	Thanks for watching and tuning into "HR Hour."
238	00:09:55:12	00:09:57:21	- We'll be back at that time next time.
239	00:09:57:21	00:09:58:24	Good night, Georgia.
240	00:10:01:24	00:10:03:04	- Oh!
241	00:10:03:04	00:10:05:22	(upbeat music)