

Senate Resolution 416

By: Senator Starr of the 44th

ADOPTED SENATE

A RESOLUTION

1 Urging the board of trustees of the Employees' Retirement System of Georgia and the board
2 of trustees of the Teachers Retirement System of Georgia to maintain separate, distinct, and
3 independent management of administration and assets of the two retirement systems; and for
4 other purposes.

5 WHEREAS, the Employees' Retirement System of Georgia was created in 1949 and placed
6 under a board of trustees, which is mandated to employ a director to oversee the
7 management of the retirement system; and

8 WHEREAS, the Teachers Retirement System of Georgia was created in 1943 and placed
9 under a board of trustees, which is mandated to employ an executive director to oversee the
10 management of the retirement system; and

11 WHEREAS, since their creation, the two retirement systems have maintained separate
12 management, an efficient system given the many differences between the two retirement
13 systems and one which has given state employees and teachers alike the peace of mind of
14 knowing that their respective retirement systems and their assets were being managed with
15 their best interests in mind; and

16 WHEREAS, discussions only recently made public regarding the merger of the management
17 of the Employees' Retirement System of Georgia and the Teachers Retirement System of
18 Georgia have unnerved the active and retired members of both retirement systems and have
19 undermined their faith that their retirement assets will be managed for their benefit without
20 outside interference; and

21 WHEREAS, the two retirement systems manage in excess of \$56 billion, and any savings
22 realized in combining two or more management positions would be statistically minuscule,
23 as was recognized in the initial report of a review of the retirement systems done by KPMG,
24 a nationally recognized accounting and consulting firm; and

1 WHEREAS, the members of this body are gravely concerned and strongly desire that the
2 state's two largest retirement systems continue to be managed separately, as they have been
3 in the past, so that the active and retired members of the two systems will be able to rest at
4 night knowing that their retirement assets are being managed and protected for their current
5 and future needs.

6 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE the members of this body
7 strongly urge the boards of trustees of the Employees' Retirement System of Georgia and
8 the Teachers Retirement System of Georgia to maintain separate, distinct, and independent
9 management of the administration and assets of the two retirement systems.

10 BE IT FURTHER RESOLVED that the Secretary of the Senate is authorized and directed
11 to transmit an appropriate copy of this resolution to the board of trustees of the Employees'
12 Retirement System of Georgia and to the board of trustees of the Teachers Retirement
13 System of Georgia.