

April 11, 2024

**MEMORANDUM**

**TO:** Members of the Boards of Trustees  
Employees' Retirement System of Georgia

**FROM:** James A. Potvin, Executive Director

**SUBJECT:** Annual Meetings - Boards of Trustees  
Monthly Meeting - Investment Committee  
Thursday, April 18, 2024

The **Annual Meetings** of the Boards of Trustees of the below listed systems are scheduled to be held on **Thursday, April 18, 2024**. The meetings will be available to the general public by conference call, toll free (888) 270-9936 or (602) 333-0032, using conference/access code 421787 and password/security code 692313.

Board members, staff, and select invitees are invited to attend the meeting in the Employees' Retirement System Board Room, First Floor, Two Northside 75, Atlanta, Georgia. Parking spaces at the front of the building will be reserved for the Board members. The schedule is as follows:

Employees' Retirement System - 10:00 A.M.  
Georgia Judicial Retirement System - 11:00 A.M.  
Public School Employees Retirement System - 11:15 A.M.  
State Employees' Assurance Department - 11:30 A.M.

The Investment Committee meeting will precede the Board meeting at 8:30 A.M. in the Investment Conference Room, Suite 500, Two Northside 75, Atlanta, Georgia. Teleconference instructions will be sent to members of the Investment Committee upon request. The agenda for the Investment Committee meeting will be mailed separately by the Division of Investment Services.

The above times are approximate. We will proceed as rapidly as possible, starting each meeting immediately upon completion of the preceding one.

Please see the attached agenda package. The teleconference instructions for board members, staff, and other invitees, will be sent separately.

c:	Bryan Webb	Brent Churchwell	Darby Carraway
	Katie Stoff	Lindsay McVicar	Bill Cary
	Ryan Kolb	Elizabeth Holcomb	Tom Horkan
	Christine Hayes	Alicia Bohannon	Mike Majure
	Rick Dunn	Kelsey Finn	Laura Lanier
	Jessica Johnson	Dan Regenstein	Mike Jackson
	Alison Kaye	Autumn Cole	Eddy Hicks
	Christine Murdock	Ed Koebel	Buster Evans
	Sara Arroyo	Cathy Turcot	Trey Shipp
	Austin Trott	Ben Mobley	Bob Bray

**AGENDA**  
**ANNUAL MEETING OF BOARD OF TRUSTEES**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**April 18, 2024**  
**10:00 A.M.**

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1. Call to order by Chair.
2. Approve minutes of bi-monthly meeting of February 15, 2024.  
[Agenda Package "A"]
3. Ratify action of Investment Committee at monthly meetings of February 15, 2024 and March 21, 2024. [Agenda Package "B"]
4. Review the Secretary's Report. [Agenda Package "C"]
5. Review and approve the report of the Actuary on ERS as of June 30, 2023.  
[Agenda Package "D"]
6. Consider change to ERS funding policy. [Agenda Package "E"]
7. Consider ERS post-retirement adjustment for FY25.
8. Review and approve the report of the Actuary on LRS as of June 30, 2023.  
[Agenda Package "F"]
9. Consider LRS post-retirement adjustment for FY25.
10. Review and approve the report of the Actuary on GMPF as of June 30, 2023.  
[Agenda Package "G"]
11. Set FY25 interest rate for Supplemental Guaranteed Lifetime Income conversions.
12. Other business.
13. Adjournment.

## Secretary's Report

Employees' Retirement System of Georgia

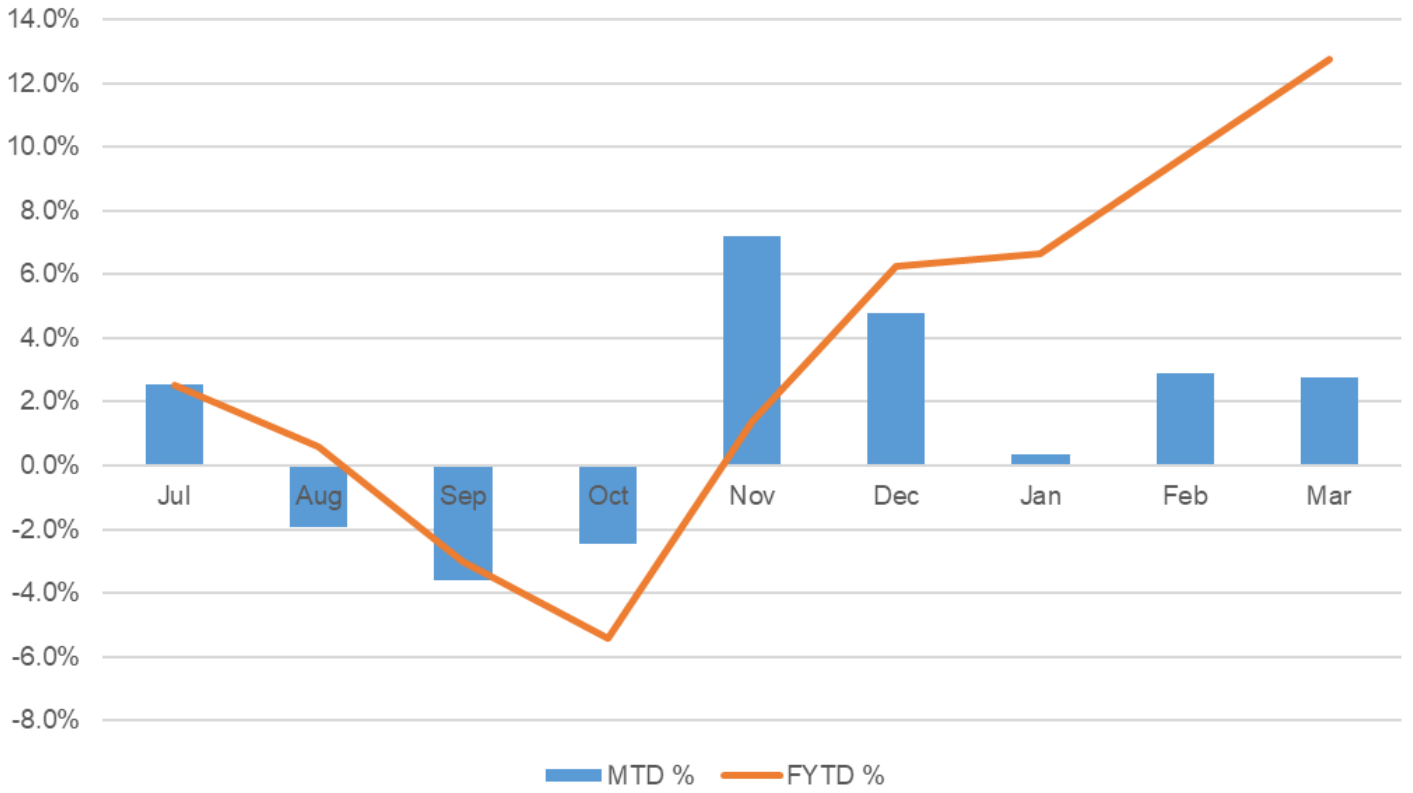
April 18, 2024

### Investments

Market Value

	6/30/2023	1/31/2024	2/29/2024	3/31/2024
<u>Plan</u>	<u>Market Value</u>	<u>Market Value</u>	<u>Market Value</u>	<u>Market Value</u>
ERS	\$14,697,305,449	\$15,295,536,229	\$15,694,773,765	\$16,586,020,523
JRS	546,776,487	567,825,663	581,250,299	595,519,397
LRS	38,275,676	39,651,772	40,599,021	41,614,966
PSERS	1,104,357,570	1,154,112,448	1,183,659,515	1,212,883,459
GMPF	39,842,197	43,127,361	44,484,396	45,812,862
SEAD-Active	394,175,447	417,756,982	429,596,243	441,330,719
SEAD-OPEB	1,431,237,389	1,498,258,863	1,537,298,877	1,575,958,820
SBF	212,711,681	226,867,390	233,464,481	239,897,422
<b>Total</b>	<b>\$18,464,681,897</b>	<b>\$19,243,136,709</b>	<b>\$19,745,126,597</b>	<b>\$20,739,038,169</b>
PSR 401(k)	\$1,874,492,298	\$2,089,047,306	\$2,170,200,162	\$ 2,243,609,170
PSR 457	706,491,449	739,381,526	760,542,770	\$ 778,620,371
GDCP	\$142,046,380	\$150,438,821	\$148,586,306	\$149,751,582

# FY 2024 Rate of Return



## Plan Contributions

Actives	56,416 members contributing \$42.4 million each year.
Employers	\$850 million is received in contributions for the ADEC.*
Service Purchase	The Plan had 202 members purchase service in FY2023, compared to 265 in FY2022. The average number of members purchasing service over the last five years is 230.

In FY2024, 122 members have purchased service to date.

\*All employers are up to date on contributions.

Contributions through 2/29/2024

<u>Plan</u>	<u>EE</u> <u>Contributions</u>	<u>ER</u> <u>Contributions</u>	<u>Total</u>
ERS	\$ 28,256,494	\$ 567,232,953	\$ 595,489,447
JRS	3,467,839	3,061,690	6,529,529
LRS	299,598	0	299,598
PSERS	1,609,294	5,392,834	7,002,128
GDCP	11,299,765	0	11,299,765
GMPF	0	466,526	466,526
<b>Total</b>	<b>\$ 44,932,990</b>	<b>\$ 576,154,003</b>	<b>\$ 621,086,993</b>

## Salary Increases in Excess of 5% During Final 12 Months (Salary Spiking)

In 2009, legislation was enacted requiring employers to pay the cost of the additional pension resulting from a salary increase greater than 5% during the 12 months prior to retirement for any member who joined the ERS plan prior to 7/1/2009.

<b>Fiscal Year</b>	<b>Count</b>	<b>Amount</b>
2019	63	\$ 391,000
2020	75	\$ 471,000
2021	70	\$ 443,000
2022	237	\$ 729,000
2023	698	\$ 4,270,000
2024	TBD	\$ TBD

## Plan Distributions

ERS distributes monthly benefits to **77,959** retirees and beneficiaries. Below represents the monthly retiree payroll for all plans as of **March 31, 2024**. (Includes PLOPs, month of death checks, and retro payments.)

Plan	FY2023	FYTD2024	Retirees	Retirees	Total Retirees
			Feb 2023	Mar 2024	Mar 31, 2024
ERS	\$1,463,723,695	\$1,105,309,769	142	256	55,174
LRS	1,823,089	1,430,126	0	0	292
PSERS	70,879,819	56,128,452	99	118	20,395
JRS	34,983,538	27,182,865	4	3	481
GMPF	1,618,545	1,259,415	6	9	1,604
SCJRF	234,951	129,013	0	0	3
DARF	22,731	17,048	0	0	2
GDCP	9,855	9,906	0	0	0
Total	\$1,573,296,224	\$1,191,466,594	251	386	77,951

## Supplemental Guaranteed Lifetime Income (SGLI)

SGLI	FY2023	FYTD2024	Retirees	Retirees	Total Retirees
			Feb 2023	Mar 2024	Mar 31, 2024
No Refund	\$13,921	\$13,671	0	0	3
With Refund	17,976	22,963	0	0	5
Total	\$31,896	\$36,634	0	0	8

## History of Refunds

Fiscal Year	Count	Amount	Online Refunds	Online Refund Percentage
2019	5,097	\$ 6,471,000	3,231	63%
2020	3,806	\$ 5,232,000	3,001	79%
2021	3,428	\$ 5,408,000	3,047	89%
2022	3,185	\$ 5,525,000	2,814	88%
2023	2,547	\$ 4,505,000	1,797	71%
2024 (3/31)	2,522	\$ 3,982,000	2,046	81%

## History of Deceased Members/Retirees

<b>Fiscal Year</b>	<b>Count</b>
2019	1,502
2020	1,703
2021	2,093
2022	2,009
2023	1,800
2024 (3/31)	1,177

## History of New Retirements

<b>Fiscal Year</b>	<b>Count</b>	<b>Monthly Amount</b>
2019	2,458	\$ 4,523,000
2020	2,197	\$ 4,203,000
2021	2,255	\$ 4,492,000
2022	1,931	\$ 3,740,000
2023	1,667	\$ 3,343,000
2024 (3/31)	1,355	\$ 2,665,000

There are 55,174 Retired Members and Beneficiaries receiving a total of \$121.3 million each month and 73,629\* terminated members entitled to but not yet receiving benefits.

\* excludes archived accounts with very low probability of payment

## Supplemental Guaranteed Lifetime Income (SGLI)

Legislation introducing SGLI was passed in 2019 and effective January 1, 2021. The first SGLI was purchased in FY2022.

<b>Fiscal Year</b>	<b>No Return of Premium</b>		<b>With Return of Premium</b>	
	<b>Count</b>	<b>Monthly Amount</b>	<b>Count</b>	<b>Monthly Amount</b>
2022	2	\$ 649	2	\$ 1,150
2023	2	\$ 1,640	0	\$ 0
2024 (3/31)	1	\$ 295	1	\$ 516

## Estimates

<b>Fiscal Year</b>	<b>Count</b>
2019	4,497
2020	3,894
2021	3,390
2022	2,610
2023	2,383
2024 (3/31)	1,859

## Web Estimates - distinct members by month

<b>Fiscal Year</b>	<b>Count</b>
2019	15,502
2020	15,393
2021*	8,013
2022	10,348
2023	8,922
2024 (3/31)	7,070

\* New method of counting introduced in FY2021

## Current active web accounts (totals for all plans combined)

	<b>Beneficiaries</b>	<b>Members</b>	<b>Retirees</b>	<b>Total</b>
<b>All Plans 2019</b>	1,410	77,061	36,367	114,838
<b>All Plans 2020</b>	1,538	80,854	38,939	121,331
<b>All Plans 2021</b>	1,655	84,310	41,265	127,230
<b>All Plans 2022</b>	1,752	88,805	43,600	134,157
<b>All Plans 2023</b>	1,743	94,601	44,714	141,058
<b>All Plans 2024</b>	1,826	99,748	45,871	147,445

## History of GTLI (SEAD) Payments

<b>Fiscal Year</b>	<b>Count</b>	<b>Amount</b>
2019	1,456	\$ 40,870,000
2020	1,661	\$ 48,490,000
2021	2,118	\$ 59,500,000
2022	2,144	\$ 58,400,000
2023	1,772	\$ 54,115,000
2024 (3/31)	1,346	\$ 39,700,000



## History of PLOPS

Fiscal Year	Count	Amount	% Rolled Over
2019	616	\$ 20,418,000	20%
2020	542	\$ 19,034,000	17%
2021	500	\$ 16,198,000	15%
2022	420	\$ 14,289,000	22%
2023	379	\$ 13,936,000	17%
2024 (3/31)	322	\$ 10,998,000	20%

## Miscellaneous

### Call Center Statistics

Fiscal Year	Yearly Total Calls	% Calls Answered*	Average Answer Speed**	Average Talk Time	Average Handle Time
2019	97,720	94.96%	0:01:30	0:03:50	
2020	89,459	95.32%	0:01:18		0:04:56
2021	80,625	95.94%	0:01:19		0:05:13
2022	84,702	93.57%	0:02:45		0:05:49
2023	95,177	93.43%	0:02:37		0:06:19
2024 (3/31)	69,037	93.45%	0:02:17		0:05:50

\* 91% standard state goal

\*\* 60 second goal

### Legislative Affairs

#### Legislative Affairs Statistics (7/1/2023 – 3/31/2024)

- 163 Legislative Affairs Inquiries
- 2,599 Legislative Documentation Updates
- 455 Legal Inquiry Research Requests
- 255 Open Records Requests and Request for Production of Documents Inquiries

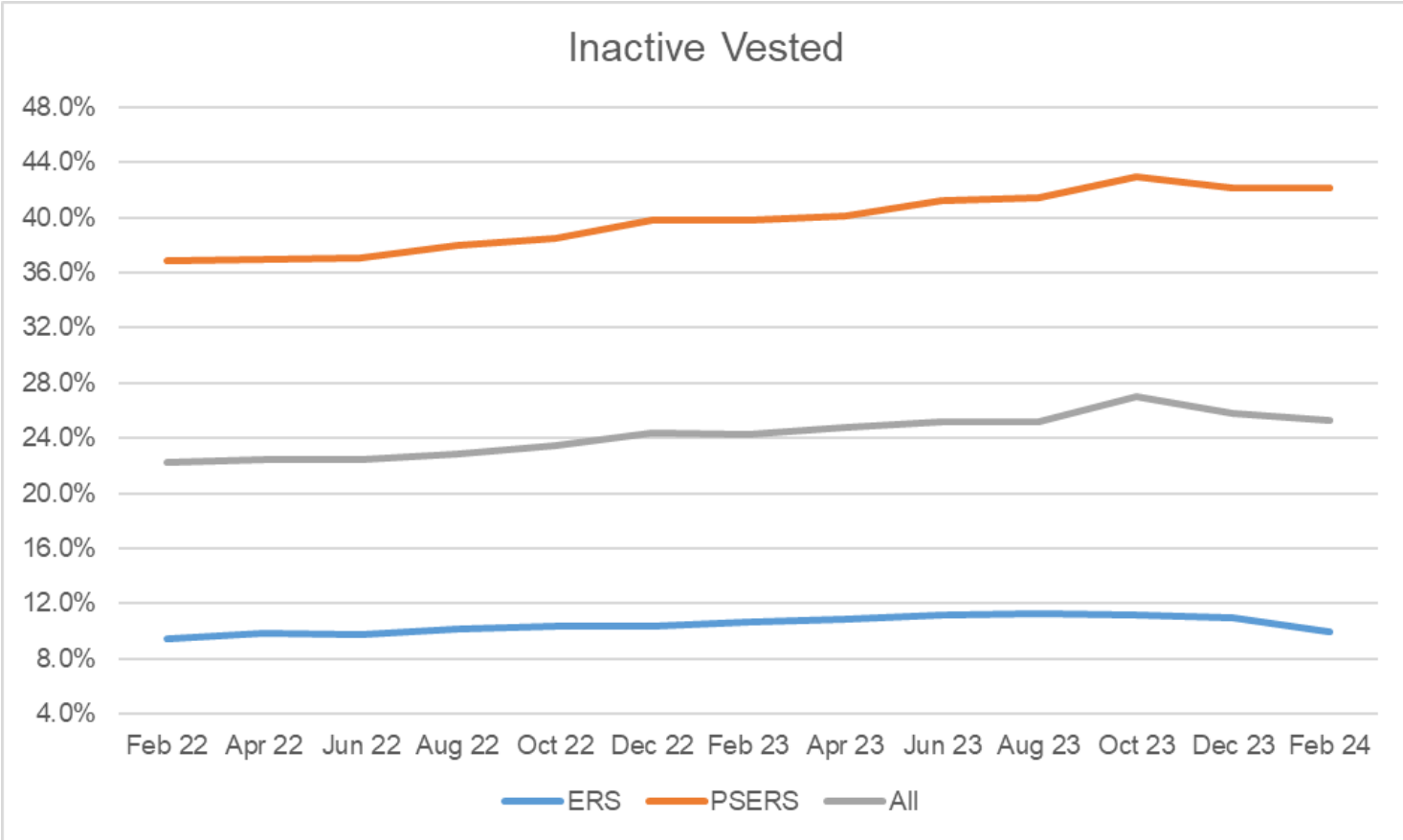
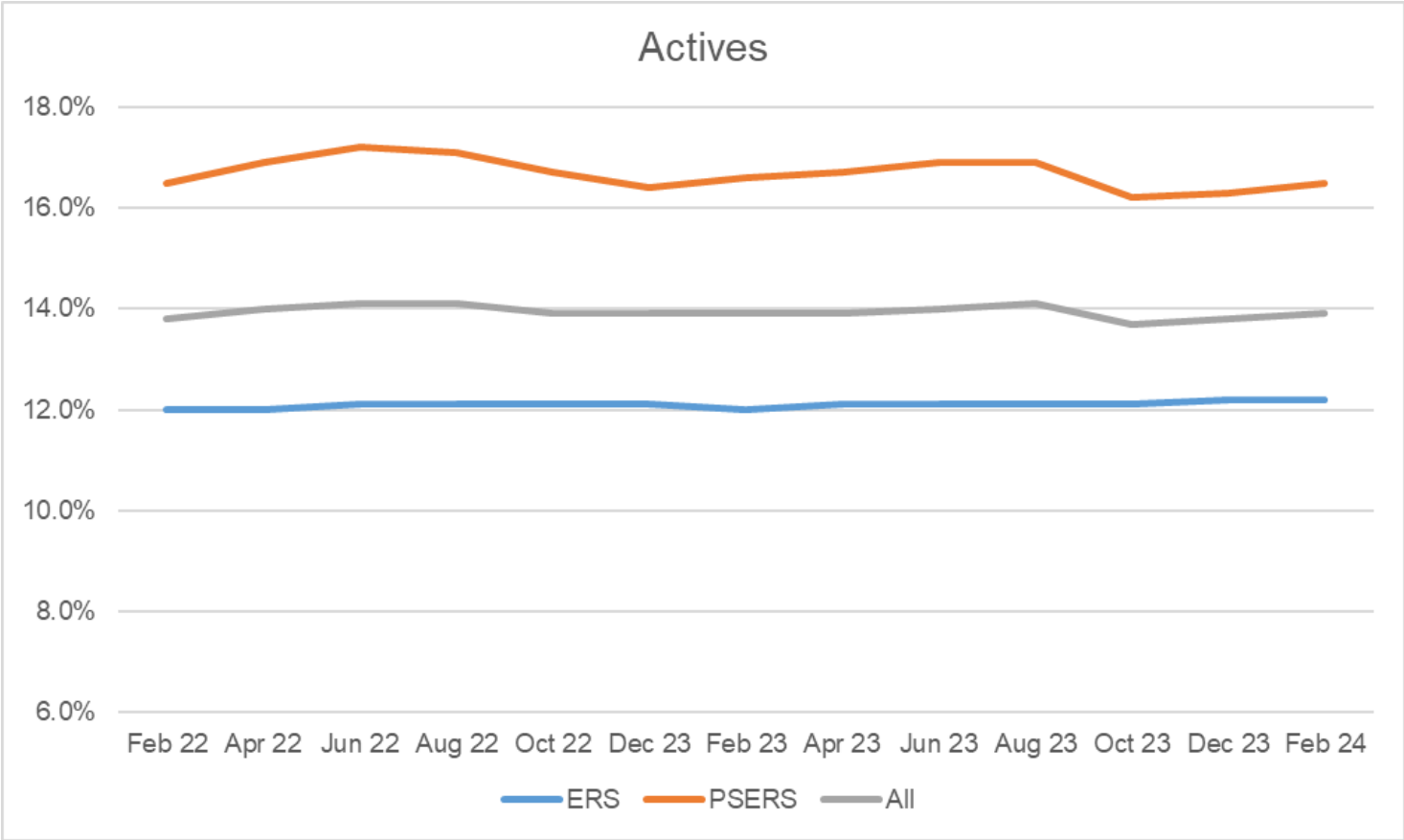
## Retirement Eligible as of 2/29/2024

### ACTIVE

	Early	Normal	Other	Total	% Eligible
ERS	2,132	4,723	49,555	56,410	12.2%

### INACTIVE - Vested

	Early	Normal	Other	Total	% Eligible
ERS	78	588	6,017	6,683	10.0%



## 2024 Legislation

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### **Signed by Governor**

**HB 915 (ERS)** – *Amended FY24 Budget* – The amended budget passed for Fiscal Year 2024, which was signed by the Governor and became effective on February 29, 2024. The budget includes \$500 million in funds for ERS to strategically invest in increasing the plans funded ratio in order to improve the long-term financial viability of the system, as well as \$26,750,000 to support one-time benefit adjustments for eligible ERS retirees as authorized by the Board of Trustees.

### **Passed Both Houses** (*Awaiting Governor Action*)

**HB 385 (ERS, JRS, LRS, PSERS)** – This bill adds references to the United States Space Force and Space Force Reserves all throughout Georgia Code, but specifically amends Title 47 so as to include Space Force and Space Force Reserves in the definition of “uniformed services” relating to the type of military service creditable in State retirement systems. This legislation also includes Marine Corps Reserves in the definition of “uniformed services” relative to establishing creditable service by veterans.

**HB 481 (ERS, JRS, LRS, PSERS)** – This bill amends the Public Retirement Systems Investment Authority Law so as to provide a definition for the term “fiduciary,” which means any retirement system administration or any person with respect to a retirement system, who: (1) Exercises any discretionary authority or control relative to the management or disposition of a retirement system’s assets; (2) Renders investment advice for a fee or other compensation, whether directly or indirectly, with respect to any moneys or other property of a retirement system, or has any authority or responsibility to do so; or; (3) Has any discretionary authority or control in the management or administration of the retirement system. In regards to investments and assets of a retirement system, this legislation requires each fiduciary to discharge its duties solely in the interest of plan participants and their beneficiaries, for the exclusive purpose of providing benefits to plan participants and their beneficiaries, and in accordance with these legal provisions first and all other laws, resolutions, ordinances, and plan documents of the retirement system second. Fiduciaries are also required to make investments with care, skill, prudence, and diligence, and must diversify the plans investments so as to minimize the risk of large losses, unless doing so is not advisable. This bill also prohibits fiduciaries from lessening the interests of the participants and their beneficiaries, sacrificing investment returns, or accepting increased investment risks in the promotion of any nonpecuniary interests such as, but not limited to, the furtherance of any social, political, or ideological interests. This legislation also allows fiduciaries to delegate investment management responsibilities to qualified investment personnel, but such delegation does not remove from the fiduciary any liability of breach of fiduciary duty if the delegation is shown to have been based on other influences other than it being in the plans best interest. Additionally, this bill provides that the investment objective of a retirement system must be to provide the greatest possible long-term benefits to members by maximizing the total rate of return on investments, within certain limits of risk and consistent with rate of return assumptions used by the actuaries. Lastly, this legislation requires all retirement systems under the Public Retirement Systems Standards Authority Law, to fully adhere to and change, by November 1, 2024, any plan documents, contracts, local laws, ordinances, or resolutions that are not in compliance with this Code section.

**HB 916 (ERS, PSERS)** – *FY25 Budget* – The annual appropriations bill for Fiscal Year 2025, which begins July 1, 2024, includes \$26,750,000 to support one-time benefit adjustments for eligible ERS retirees as authorized by the Board of Trustees. The bill includes \$5,675,000 for the first-year cost related to SB 105, which includes a multiplier increase for PSERS members. \$6,000 was also included to fund the first-year cost for HB 472, which would have provided injury in the line of duty benefits to certain law enforcement personnel who are officers, deputy commissioners, and commissioners of the Motor Carrier Compliance Division and the Capitol Police Division of the Department of Public Safety. However, it should be noted that HB 472 did not pass the full Senate, so the funds will be appropriated back to the State.

### **Failed to Receive Full Passage**

**HB 285/SB 240 (ERS, JRS, LRS, PSERS)** – Originally drafted in 2023, HB 285, proposed language would increase the allowable percentage of assets the Employees’ Retirement System of Georgia may invest into alternative investments by removing the current 5% cap and increasing it to 10%.

HB 285 failed to be placed on the Senate Rules Calendar before Day 40 of the 2023 session and was substituted into a House Rules amendment for SB 240. Ultimately, such language was removed from SB 240 via a Senate floor amendment and the House disagreed with the changes. The bill failed to receive any further action before the end of the 2023 Legislative Session.

The language from HB 285 was added back into SB 240 via Conference Committee during the 2024 session, but the bill failed to pass the full Senate.

The full Senate amended HB 285 with two fiscal bill floor amendments, which rendered the bill ineligible to move forward. Another amendment was also added in the House. This bill did not move forward during the 2024 session.

**HB 472 (ERS)** – This bill would have provided injury in the line of duty benefits to certain law enforcement personnel who are officers, deputy commissioners, and commissioners of the Motor Carrier Compliance Division and the Capitol Police Division of the Department of Public Safety.

**HB 824 (ERS)** – This bill would have established the State Law Enforcement Officer (SLEO) Plan under the Employees’ Retirement System of Georgia (ERS). It provides for “State law enforcement officers” to make an irrevocable election to participate into the SLEO Plan instead of any other retirement system, plan, or program established under ERS. The term “State law enforcement officer” is defined as any member employed by the: (1) Uniform Division of the Department of Public Safety as an officer, a noncommissioned officer, or a trooper; (2) Georgia Bureau of Investigation as an officer or agent; (3) Department of Natural Resources as a game warden; (4) Department of Revenue as an alcohol and tobacco officer or agent or as an officer of the Special Investigation Unit; (5) Motor Carrier Compliance Division as a sworn law enforcement officer; or (6) Capitol Police Division of the Department of Public Safety as a sworn law enforcement officer.

Eligible State law enforcement officers must notify ERS of such irrevocable election into the SLEO Plan within 90 days of becoming a State law enforcement officer, or July 1, 2024, whichever is later, after which point they will be considered an “electing officer.” This bill also provides that no “electing officer” shall be eligible to retire at any point prior to July 1, 2029, and if they should do so before such date, he or she will not be entitled to any of the enhanced benefits provided under the SLEO Plan.

Members of the SLEO Plan will be entitled to the same benefits currently granted to law enforcement officer under ERS. In addition, they will be required to contribute five percent (5%) of his or her earnable compensation and receive enhanced retirement benefits based on their years of service.

After an SLEO member reaches 25 years of creditable service, they will not be required to make further contributions to the Plan and their retirement benefit will be calculated based upon his or her average final compensation at such time. If such member does not elect to retire after obtaining 25 years of creditable service, their retirement benefit, in addition to any postretirement benefit adjustments granted, will be paid into a Deferred Retirement Option Program (DROP) account until such member retires.

Lastly, this bill requires ERS to create DROP accounts for each eligible “electing officer,” where the related benefit amounts deposited earn interest at a market rate, to be determined by the ERS Board. Upon retirement, members of the SLEO Plan with a DROP account are entitled to receive a lump sum, a partial lump sum, or an annuity payment from such funds in his or her account. Additionally, the Board can make available options to roll such DROP account funds into certain tax-advantaged retirement accounts.

**SB 117 (ERS, JRS, LRS)** – This bill would have allowed beneficiaries of group term life insurance (GTLI) members of ERS, JRS and LRS to assign GTLI benefits to a person licensed by the State Board of Funeral Service to practice embalming or funeral directing in order to pay for the cost of funeral service of the deceased member.

Assignments authorized by this Code section must be in writing on a form provided by ERS, JRS, or LRS and must be attached to a notarized copy of the contract between the beneficiary and licensed funeral director or embalmer. SEAD is then required to pay any sum assigned in the method and manner provided for in the funeral service contract, but only to the extent such terms are carried out in competition.

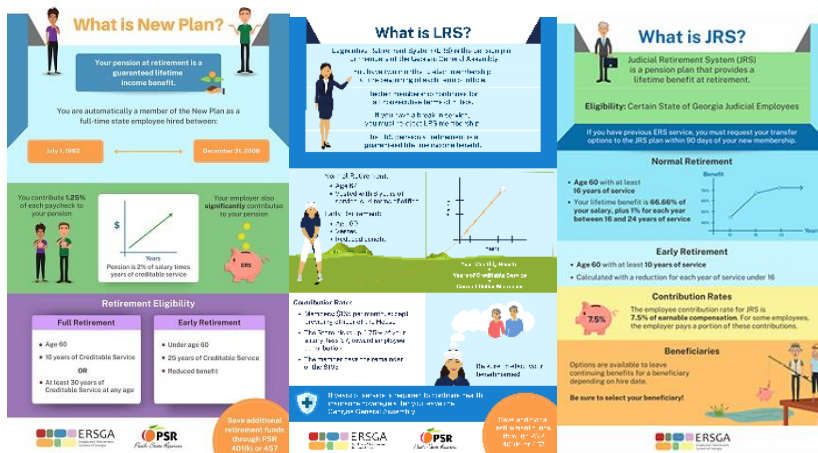
## Projects

### Communications

- Retirement Minute Videos: These videos provide “snack-sized” bites of education to highlight the important plan points. The overarching goal has been for every ERSGA plan to have a unique Retirement Minute overview video. All plans have been completed. Subtitled versions are also available. Link to videos: [ers.ga.gov/videos-and-presentations](https://ers.ga.gov/videos-and-presentations)



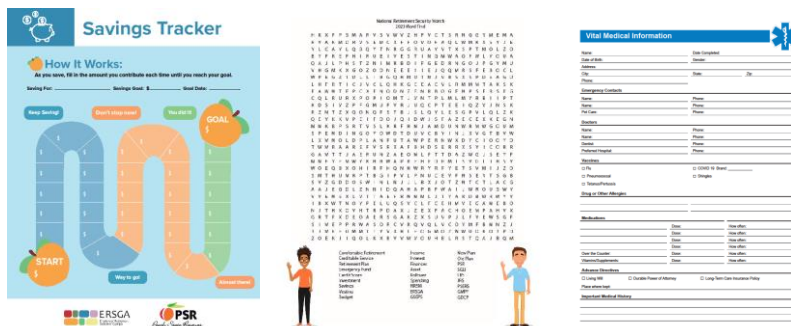
- Infographics: The project of producing an infographic to complement each plan’s educational video will continue until all plans are complete. These infographics are available on our website, can be emailed and printed on legal sized paper to display as posters. Link to infographics: <https://www.ers.ga.gov/infographics>



- The *Navigating Your Retirement* 12 video series began production with DVI in January. This new video series will launch in 2025, and is to guide members through the online application process.
- National Retirement Security Month (NRSM) took place throughout October. This year’s month-long effort included highly targeted email communications (including the member demographic not applicable to PSR), and encouraged retirement savings, especially for GSEPS members not meeting their full employer match.
  - Two separate video interviews with Jim Potvin and Dale Cardwell, TrustDALE



- Video link for Retirees: <https://youtu.be/XuR6EoECszg?si=gBpilBMiXoBfA6nq>
- Video link for Active Employees: <https://youtu.be/xFvoPAvxfZc?si=DDENVVogqEdlwZko>
- NRSM link: <https://www.ers.ga.gov/national-retirement-security-month>
- Email campaign throughout month with three new handout outs created:
  - Savings tracker to encourage saving for an emergency or goal
  - Fun Savings word find
  - Medical Info Sheet (encourage all to share, non-branded)



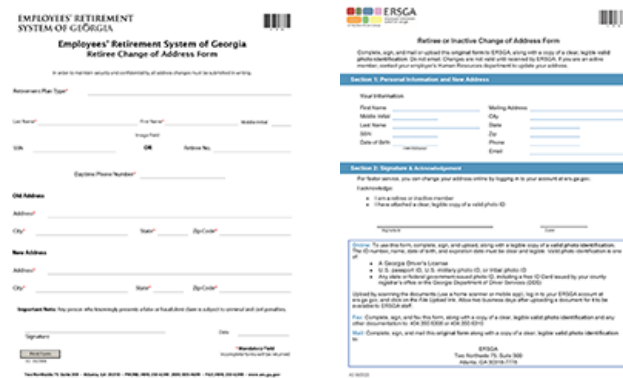
- As part of NRSM, the 2023 Low Saver campaign was conducted with Alight: This communication effort hyper-targeted GSEPS members not contributing the 5% employer match. Personal phone calls were added this year for GSEPS members not fully matching who have over six years of creditable service.
  - Total number of members contacted: 3,599
  - Members received the Low Saver email: 3,417
  - Members received the Low Saver letter: 3,462
  - Members were contacted by phone: 377
  - Campaign Result: 256 members increased their 401(k) contribution rate to 5% or more, which is 7.11% of the contacted population



- 2023 Annual Comprehensive Financial Report (ACFR):
  - Theme: Scenic Towns in Georgia
  - Redesigned organizational chart, Board of Trustees, and administrative pages
  - FY22 Annual Report was recognized for the 14th consecutive year for transparency and accuracy by the Government Finance Officers Association with a Certificate of Achievement for Excellence in Financial Reporting.
  - Link: [https://www.ers.ga.gov/sites/main/files/file-attachments/ers\\_acfr\\_2023\\_final\\_o.pdf?1697728566](https://www.ers.ga.gov/sites/main/files/file-attachments/ers_acfr_2023_final_o.pdf?1697728566)



- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.



- Annual website full review and updates completed.
  - Revamped Employer website section:
    - New calendar with important submission dates
    - New monthly quick reference check list
    - All Employer plan manuals are now web-based and searchable
    - Link: [Employers - Employees' Retirement System of Georgia \(ga.gov\)](https://www.ers.ga.gov/employers)
  - Career section: collaborated with HR to redesign this section to highlight benefits of joining the ERSGA Team. Link: [Careers - Employees' Retirement System of Georgia \(ga.gov\)](https://www.ers.ga.gov/careers)
  - ERS-TRS decision guide: new website page created to better assist members' with this decision: Link: [www.ers.ga.gov/decisionguide](https://www.ers.ga.gov/decisionguide)
  - Implemented new Legislative map interface on website
  - Assist other departments with scheduling presentations
- Media inquiries: Oversee incoming media requests with Executive Director
- Per state requirements, the University of Georgia (UGA) Document Depository submissions were completed and archived.
- Online / social media presence review completed.
- Updated ERSGA information on Georgia.gov
- Cross Training videos: members of the Cross Training program completed video presentation projects

- Internal communications: Communications oversees the homepage of SharePoint, which promotes internal communications.
  - New Communications Department page added



## COMMUNICATIONS

Our team is responsible for all of the agency's internal and external communication efforts. From managing the ERSGA website to sending important information to our plan's members and creating video content and updating documents, Communications is always working on a variety of projects to serve our agency and the State of Georgia.

- Retirement Minutes were distributed to members, employers, and retirees throughout the year with topics including:
  - PSR plan updates
  - Post Retirement Benefit Adjustment communications
  - Identity theft prevention
  - Pension Spiking information sent to Employers
  - 1099 communications: Notice to payees
  - GASB communications
  - Annual LRS email to legislators
  - Annual Statement communications to employers and members
  - PSERS Benefit Multiplier Increase communications
  - Employer communication: PSERS Survey Email Reminders
  - ERS, LRS, and PSERS Plan Statement communications
- Conferences: Danielle Templeton attended the Aspire conference, which focused on business innovations and connections.
- Internal: Created and presented Communications for Leadership Training Program



- Virtual and in-person presentations provided to state agencies on financial literacy and comprehending the member's plan benefit, with an emphasis on the importance of receiving the full GSEPS match.
  - GSEPS Virtual Tour Stops: 7
  - New Plan Virtual Tour Stops: 4
  - In-person Tour Stops:
    - ERS Overview at Gwinnett Technical College
    - ERS Overview at North Georgia Technical College
  - Department of Community Affairs
  - DHS HR Conference at UGA
  - Georgia Department of Driver Services
  - Georgia Department of Driver Services Annual Conference
  - Technical Colleges of Georgia Annual Conference
  - Department of Agriculture Annual Conference
  - Georgia Bureau of Investigation (GBI)
  - Georgia World Congress Center and Georgia Department of Education: New Plan and GSEPS Virtual Presentations with an Interpreter for the Deaf
  - Georgia Department of Juvenile Justice: ERS Overview Presentation
  - Technical Colleges of Atlanta
  - Department of Health: Multiple agency conference
  - Disability Adjudication Services (GVRA)
  - SPC, GSFIC, GBA: Multiple agency presentation
  - PSERS Presentation: Middle Georgia Regional Educational Service Agency

- GSRA Annual Conference: “Hats off to Our Retirees: Financial, Health & Happiness”



- Clark’s Kids: Communications organized the Clark’s Kids Foster child holiday toy donations, which were made possible by the incredible generosity of ERSGA employees. This year we focused on teenagers with the donation of 2 adult bikes with helmets, and 2 iPads with cases. Link: <https://www.ers.ga.gov/clark>



## Document Center

- FY2023 saw a 10% increase in incoming pages scanned, indexed, and quality checked. This volume has continued into FY2024 with 275,000 pages being scanned in the 12 months ending 3/31/2024.
- In addition, Web Uploads have increased by about 20% in FY2024 from FY2023. In the 12 months ending 3/31/2024, members have used our Web Upload feature 3,700 times to send documents securely to ERSGA.
- Outgoing mail has also increased in FY2024 with our Permit Mail (Batch letters generated each night) increasing 10% from 70,000 to 77,000 as of 3/31/2024.

## Financial Management

- GASB 67 Internal Audit of Employers
  - Demonstrate the source data from Employers matches the data ERS received
    - Methodology
      - A random month is chosen
      - Employers are asked to send the source data for that month
      - 9 Employers of various sizes were asked for March 2024 data
      - The data received is compared to the data posted to PARIS
      - Discrepancies are returned to the Employer for verification and resolution
      - If there are no issues, the Employer receives a “clean audit” letter
- GASB 68 and 75
  - Documents posted to the Employer Portal and/or ERS.ga.gov
  - Employers notified of posting through Retirement Minute
- SAO Rehired Retiree Audit
  - Compare SAO’s 1099 information to the information reported/not reported to ERS by Employers
  - Work with Employers to address/correct any discrepancies
  - Make sure all forms are on file for compliance purposes
- External Audit Support
  - Provide requested process walk-throughs, samples and explanations
- FY24 Year-End Processing
  - Year-end reports, data verification, cash receipts allocations, issue resolution and reconciliations
- Metrics
  - Analysis of metrics to formulate plans to address historic issues and bring all metrics current
  - Identify trends and areas of improvement based on metrics
- Update System Parameter, Forms and Tables
  - Certain factors and limits are updated in the administration systems at the beginning of the calendar year. After the update, any calculation utilizing these updates is tested and verified.



- Data Verification and Update of ERS Active Members
  - In preparation for the annual ERS integrated Member statements, the Financial Management Division performs a data audit and clean-up specifically targeting ERS active Members who will receive the statements. Since data cleanup is an ongoing practice, the verification process produces fewer and fewer issues each year.
- Outstanding Checks
  - Research outstanding checks
  - Retirement benefit suspended after 2 months of outstanding checks
  - Verify if Member is deceased
    - Death search services
    - Internet Research
    - Proof of Life Letters
  - Contact non-deceased retirees
    - Cancel outstanding checks and reissue
  - Reduced the number of outstanding checks by 429
- 1099 Member Support
  - 902 Duplicate Requests
  - 49 Inquiries
  - 992 Returned (address search and verification and mailed again)
  - 274 Change of Address

### **Financial Management and Information Technology**

- Government Forms 1099 and W2 Preparation and Delivery
  - The annual preparation and distribution of Forms 1099 and W2 (governmental reporting of member and retirement distributions)
    - 91,095.....1099s
    - 15 ..... W2s

### **Human Resources**

- Compensation job market analysis completed on all positions within the agency in Jan '24
- 2023-2024 Leadership Development Program for Non-Managers will end in May. Capstone project and graduation will take place in June '24.
- Conducted Multi-Generational Leadership training for managers and supervisors in Dec '23.
- Completed Phase 2 of the agency's Learning Management System (LMS) user training in Dec '23.
- Participated in the "Experience Pays" statewide career fair at GSU's campus in Mar '24.
- Collaborated with our Communications Team to redesign the external Career's webpage. Link to the site is provided in COM's report section.
- Partnered with DOAS Risk Management to conduct on-site safety audit in Feb '24. The agency's weighed-evaluation and walk-through score totaled 100%.
- Facilitated various brainstorming sessions with leaders on ways to improve ERSGA's retention survey results.
- Completed performance mid-year evaluations in Feb '24.
- Facilitated workforce planning discussion in May '23.
- Created a "How-To" procedures guide and FAQ's for Learning Management System (LMS) for roll-out Apr '24.
- Completed the first phase of HR data clean-up in March for upcoming new HRIS (*Workday*) system roll-out.
- Annual Community / Volunteer / Employee Engagement Projects:
  - Partnered with InCommunity which is a local non-profit for their Halloween Trunk or Treat community activity Oct '23
  - Currently partnering with Trees Atlanta for their upcoming "Conserve The 4-o-Forest" community activity to help beautify one of our neighboring communities. This will take place on April 26.
- Recruitment
  - Employer Services Director
  - Employer Services Retirement Analyst (3)
  - PSR Defined Contributions Supervisor
  - PSR Defined Contribution Analyst
  - QA Business Analyst
  - Customer Care Specialist

- Legal and Policy Research Analyst
- Payroll Specialist
- Document Processor
- IT Helpdesk Supervisor
- IT Helpdesk Analyst
- Conferences attended:
  - SHRM Atlanta
  - State ADA
  - Aspire (focus was on business innovation and networking)
  - From Day One (HR focused)
  - Georgia Council for Human Resources (GCHR)

## Information Technology

- Applications Development
  - The Apps Development team finished working with LexisNexis on the enhanced web account creation process. Over the past year, they tuned the metrics used to force suspicious accounts into an Attestation process. This process has been a great success and has greatly improved our overall security posture as it relates to member portal security.
  - The Apps team also implemented multifactor authentication as a requirement for all new accounts created. In the next build release, existing user will have the option to Opt-In to use MFA followed by mandatory use later this year. Additional changes were made to enhance logging of online activity.
  - Two other large projects were the P.A.R.I.S. core programming language upgrade and a database performance-tuning project. The programming language upgrade completed in January 2024. The database-tuning project is schedule to complete in the next 2 months.
  - In addition, the Apps team closed almost 700 help desk tickets in the past year. The top 4 categories were Data Modifications, PARIS Panel changes, Process Enhancements and Reports.
- Operations
  - Systems security for both the Member/Retiree and the Employer portals was enhanced with the purchase of a Web Application Firewall (WAF) which offers protection against the Open Web Application Security project (OWASP) Top 10 attacks, including Cookie Tampering, Cross-Site Scripting, Data Loss Prevention, Web-Based Malware Protection and Zero-Day Threats.
  - Tenable's Web App Scanning utility is being implemented to provide comprehensive vulnerability assessments on all ERSGA websites.
  - Additionally, a project is underway to upgrade all webserver environments to the latest Windows Server release 2022 and .Net Core application library.
  - The operations team also Implemented Citrix ShareFile, a cloud secure file transfer solution that uses advanced encryption methods when sharing files with ERSGA Medical Board members, vendors and other State of Georgia entities.
  - Barracuda's Email Gateway Defense was implemented providing ERSGA email protection against phishing, malware, ransomware and other sophisticated email-borne threats.
  - An Exchange upgrade and migration to Microsoft's Government Cloud Community is currently in-progress.
- Support Center
  - The Support Center continues its mission is to provide top tier service and assist agency staff with IT issues.
  - The past 12 months have been fruitful and the Support Center has closed over a thousand trouble tickets in pursuit of that goal. A major help with that came from upgrading and modernizing our Ticketing and Asset Management systems. This allows us to reach troubled systems quicker and helps us schedule our work faster.
  - To further enhance the capabilities of our modern workforce, The Support Center has issued laptops to nearly 100% of the staff as well as agency controlled mobile devices to key staff. These devices provide secure processing and communications on the go.
  - We completed a desk phone upgrade, assisting The Operations Team with modernizing our CISCO phone systems.
  - The Support Center has also recently completed a revamp of some of our most heavily used conferencing spaces. These audio visual upgrades provide modern integration with today's conferencing solutions as well as providing comfortable and easy to use tools to facilitate meetings.

## Legislative Affairs

- Legislative
  - Implementation of HB 19 (Act 351 Fiscal Year 2024 Budget) – PSERS multiplier increase to \$16.50
  - Implementation of SB 56 (Act 236) – Tax Commissioner in Peach State Reserves Plan

- Worked with CavMac to provide requested data and information for the following fiscal retirement bills: SB 385, HB 643, HB 746, HB 825, and HB 833.
- Developed 2024 Legislative Agenda
- Secured \$500 million in funds for ERS to strategically invest in increasing the plans funded ratio in order to improve the long-term financial viability of the system in the FY 2024 Budget
- Secured \$26,750,000 supplemental appropriations to support one-time benefit adjustments for eligible ERS retirees as authorized by the Board of Trustees in the FY 2024 Budget
- Secured \$26,750,000 appropriations to support one-time benefit adjustments for eligible ERS retirees as authorized by the Board of Trustees in the FY 2025 Budget
- Tracked over 180 Bills through the legislative process during the 2024 Legislative Session
  - Detailed report on bills included in Board Report
- Provided staff, members, retirees, and other interested parties with information regarding its efforts impacting our retirement plans at the state capitol with legislative happenings by posting weekly updates during the 2024 Session of the General Assembly on the ERSGA website
- Attended all relevant House and Senate Committee meetings related to tracked legislation
- Researched multiple issues and compiled Issue Briefs and information for requested topics
- Met with Legislators, Legislative Staff, Governor's office staff, Lieutenant Governor's staff, Agency staff, and various Advocacy groups to discuss legislative matters and issues
- Researched and Completed Law Enforcement Retirement Plans Survey
- Updated GSRA Leadership with data on retirees choosing to opt-in to GSRA monthly deductions through ERS payroll
- Hosted ERSGA Cross Training participants at the Capitol. The Legislative Affairs team and participants:
  - Visited the House and Senate Floor and received a history lesson from the Doorkeepers
  - Met with Carrie Vick, Assistant Clerk for Roll Call Operations and Administrative Services for the House of Representatives. She provided the group with valuable information about the duties of the Clerk's office. The Clerk's Office is the custodian of all bills, resolutions, records, and other official documents filed in the House of Representatives. The office prints copies of bills for distribution to the members of the General Assembly and to the public and prepares other materials vital in following the legislative process.
  - Watched House of Representatives proceedings, which included presentation and passage of the Fiscal Year 2025 Budget from the House Gallery
  - Toured the Capitol Museum
  - Attended the Senate Retirement Committee meeting, where four fiscal bills were presented and passed
- Legislative Maps
  - Submitted data to new District Mapping Vendor (FiscalNote)
    - Instead of having information for just ERS and PSERS, we now will share pertinent information for ERS, JRS, LRS, PSERS, and PSR.
  - Met with FiscalNote to determine District Mapping Design style for ERSGA
  - Provided Design style information to FiscalNote for District Mapping one-pagers for Legislators
  - Updated Maps website live on ERSGA website
  - Email to Legislators informing them of updated website
- Trustee Training
  - Corresponded with multiple Board members with information to achieve needed training
  - Worked with Board members to update training hours and status
  - Created Memo to Board Smart with all ERSGA and PSR Governing Statutes for Board Smart 3.0 release
  - Updated ERSGA user profiles for Board Smart 3.0 release
  - Arranged Rick Funston presentation on Board Smart 3.0 to Board Members in December 2023
  - Provided Board Smart with Member updates to prepare for Board Smart 3.0 release
  - Reviewed members Training needs and emailed 2 members with upcoming training requirements in 2024
  - Board Smart 3.0 went live on 1/14/2024
  - Email sent to Trustees with Log-in Instructions for Board Smart 3.0
  - Multiple emails to members about Board Smart 3.0 log in reminders and emails to members to remind them to complete started courses
- Mapping Project
  - Completed the *Disability* sections for ERS, JRS, and PSERS Plans (resulted in 15 pages of documentation)
    - For this project, Legislative Affairs aggregates data from several resources such as Statute, Board Decisions, Attorney General Opinions, and other areas in order to document such information on our internal *Plan Requirements* platform as a resource for ERSGA staff.
  - Uploaded *Summary Pages* for ERS, JRS, and PSERS Plans onto Plan Requirements

- Legal Research and Documentation
  - Performed research across multiple sources (statute, AG Opinions and memos, Agency information, etc.) on requested topics
  - Responded to informational legal requests from Agency staff and outside entities
  - Compiled information related to requests and provided documentation to support response
  - Archived and documented relevant information internally
- Ethics Officer
  - Provided an overview of the Code of Ethics Policy via Executive Order for Executive Branch employees and officers as part of the on-boarding process for all new employees
  - Existing employees were refreshed with information surrounding the Code of Ethics and conflicts of interest
  - Captured and recorded Code of Ethics Acknowledgement Forms with a 100% participation rate from our employees

## Member Services

- WRAP
  - We currently offer one in-person WRAP each month at our offices and one WRAP Webinar each month by Zoom. Both events require pre-registration on our website. We're also partnering with Communications to update our Online WRAP videos, to be available in FY2025.
- Vested Data Project
  - At the beginning of October 2023, we started researching and reaching out to over 1,800 Vested, Inactive members who have not applied for their retirement benefits. We have heard from over 1,100 of these members or their families, a 62% response rate. We have started to see these members in our retirements and, unfortunately, in our death processing as well.
- Deceased Member Data Project
  - At the end of FY2023, we started researching and reaching out to beneficiaries of over 2,100 deceased members. We have heard from beneficiaries for over 600 of these members, a 30% response rate.

## Quality Assurance

- Annual Interest Update
  - The annual interest update for ERS, JRS, LRS and PSERS member accounts was completed July 2023
- Actuarial Data
  - The data for all Retirement Systems were prepared, verified and delivered to the actuaries on August 16, 2023
- Update System Parameters, Forms and Tables
  - Updated IRS limits and new option factors for various benefits
  - Extensively tested all calculations impacted
  - Verified and approved results for final update
- Work with National Conference of State Social Security Administrators
  - Amy Ley served as the Region III Vice President for the National Conference of State Social Security Administrators (NCSSSA)
  - Acted as a contributor the Executive, Legislative and Program Committees of NCSSSA
  - Amy attended the NCSSSA Conference in Albuquerque, NM, September 19-21, 2023
- Presentations
  - Attended Council of Superior Court Judges Summer and Winter Conferences
  - Presented Overview of JRS at Prosecuting Attorneys Council Fall Business Meeting
- New Retirement Audits
  - Completed 3<sup>rd</sup> and 4<sup>th</sup> quarters of FY2023 as well as the 1<sup>st</sup> and 2<sup>nd</sup> quarters of FY2024
  - Audits current with 3<sup>rd</sup> quarter of FY2024 in progress

## Quality Assurance and Information Technology

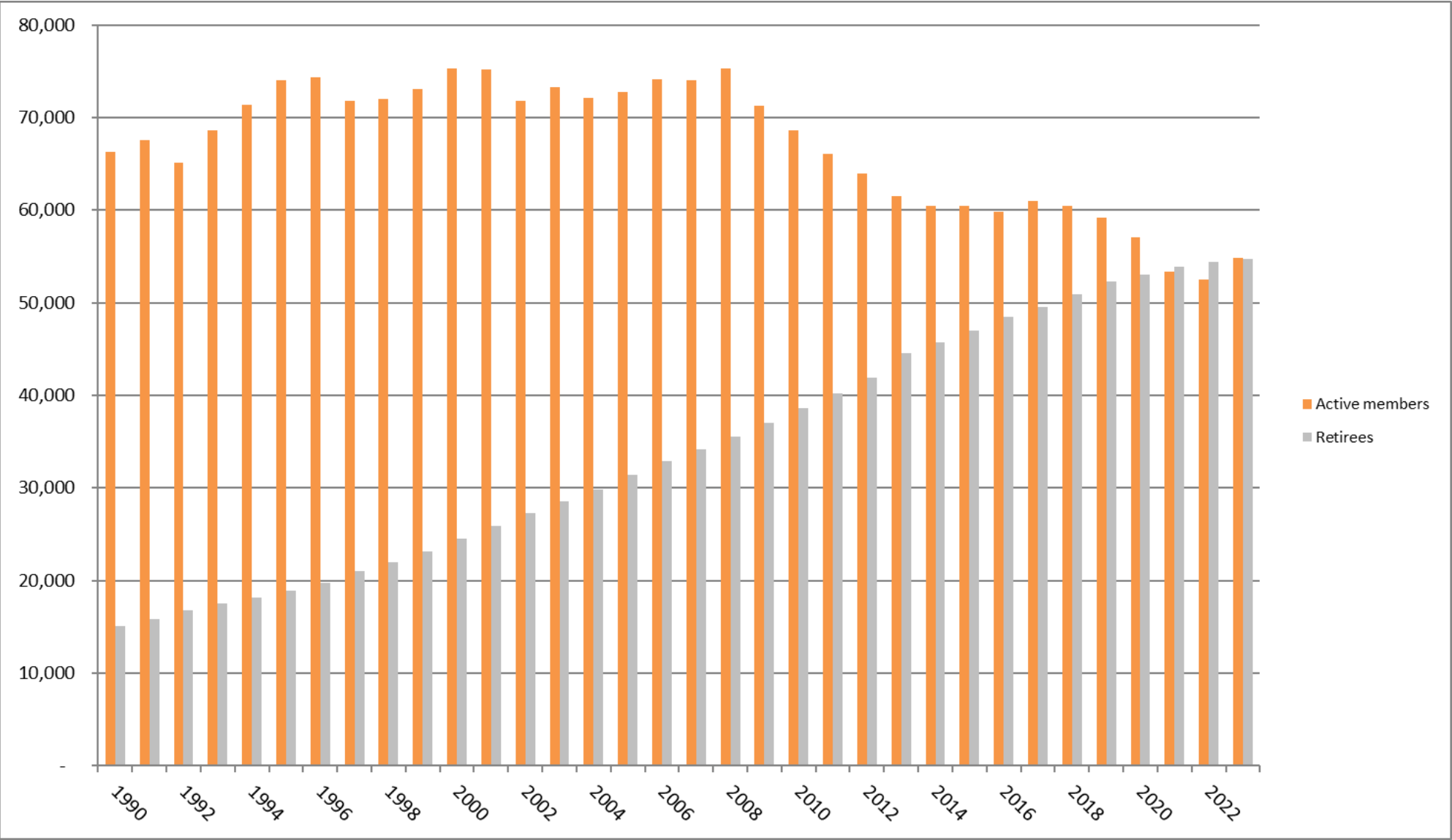
- Cost of Living Adjustment / Post Retirement Benefit – PSERS, ERS, JRS, LRS
  - The FY2024 cost of living adjustment (COLA) granted to PSERS, ERS, JRS and LRS retirees and beneficiaries were implemented. The increase was reflected in the July monthly benefit.
- Multi-factor Authentication (MFA)
  - Implementation of multi-factor authentication for self-service website.
  - Extensively tested updates for First phase for new users
  - Extensively tested second stage for existing users to opt-in.
- Delphi 11 Implementation
  - Detailed testing of Delphi Upgrade - included coordinating functional division testing in Pre-PROD and QA region

- Identity Column Update
  - Detailed testing of updates in PREPROD including group testing and QA region

### **Quality Assurance, Financial Management, Member Services, and Information Technology**

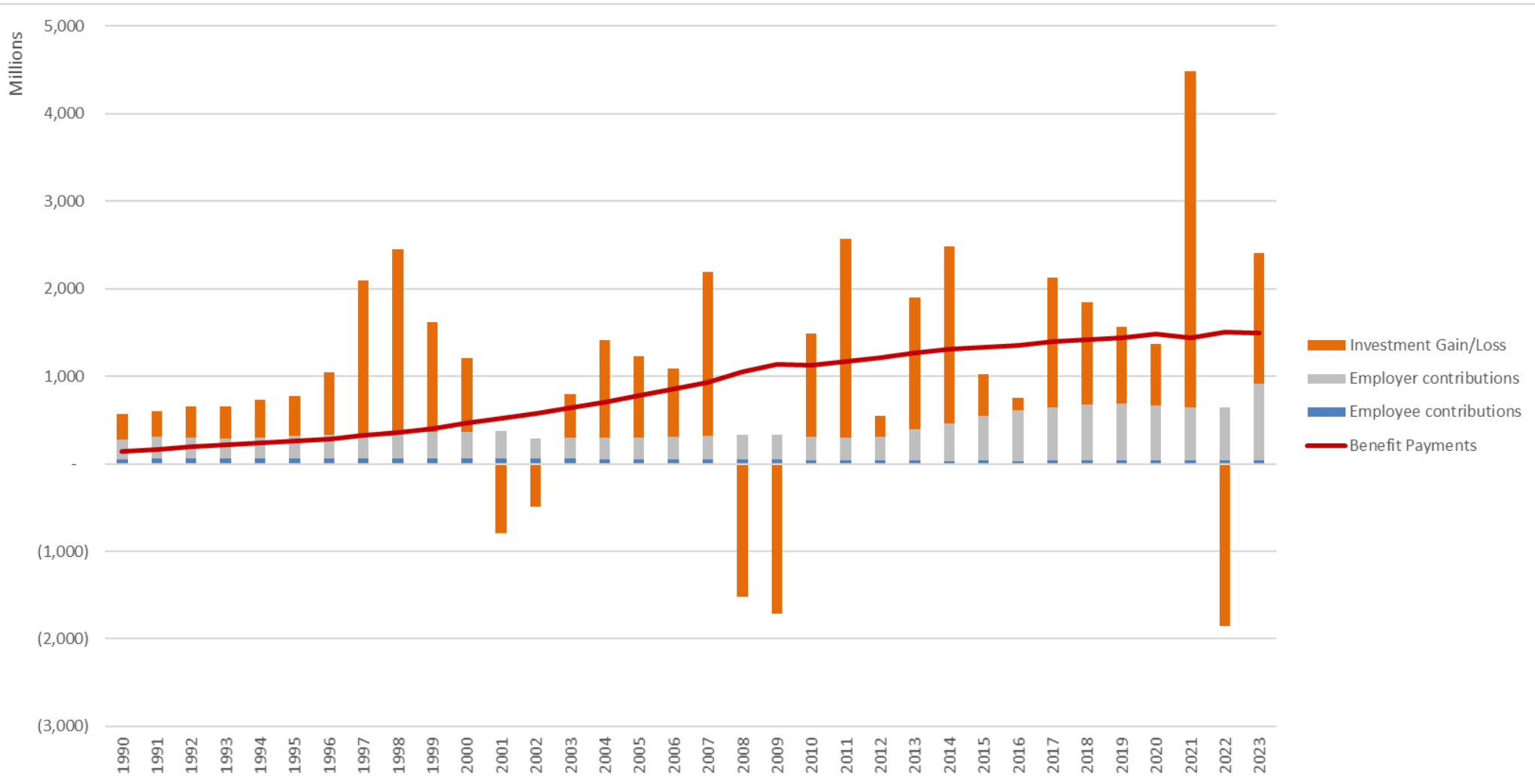
- ERS Integrated Member Statements
  - Multi-group effort,
    - in which we work together to make any required changes in statement design;
    - post and verify the underlying data;
    - prepare and test all calculations;
    - partner with Alight to integrate the defined benefit and defined contribution information to prepare a combined statement that is meaningful to Members;
    - communicate delivery to Members
  - The annual ERS Integrated Statements for active Members were delivered in March 2024
  - 54,677 Members received statements

# ERS Changes in Membership 1990-2023



Active to Retiree Ratio has changed from 4.41 to 1.00

# ERS Historical Sources of Funds to Pay Benefits



# Secretary's Report

Georgia Legislative Retirement System

April 18, 2024

## Plan Statistics

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Market Value as of 3/31/2024 – \$41,614,966

## Contributions

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There are 219 Active Members contributing \$449,397 to the Plan.

The Annual Required Contribution for FY24 is \$0.

There has been one service purchase in FY2023, compared to no service purchases in FY2022 or FY2024.

## Distributions

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### Refunds

	<b>Fiscal Year</b>	<b>Count</b>	<b>Amount</b>
	2019	7	\$ 70,000
	2020	3	\$ 21,000
	2021	5	\$ 22,000
	2022	3	\$ 20,000
	2023	3	\$ 26,000
	2024 (3/31)	2	\$ 16,000

### New Retirements

	<b>Fiscal Year</b>	<b>Count</b>	<b>Monthly Amount</b>
	2019	12	\$ 6,000
	2020	9	\$ 4,000
	2021	21	\$ 11,100
	2022	11	\$ 4,000
	2023	27	\$ 18,000
	2024 (3/31)	2	\$ 1,000

There are 292 Retired Members and Beneficiaries receiving a total of \$157,000 each month, and 184 terminated members entitled to but not yet receiving benefits.



## Estimate Requests

Fiscal Year	Count
2019	20
2020	12
2021	25
2022	10
2023	21
2024 (3/31)	4

## Retirement Eligible as of 2/29/2024

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### ACTIVE

	Early	Normal	Other	Total	% Eligible
LRS	3	57	159	219	27.4%

### INACTIVE - Vested

	Early	Normal	Other	Total	% Eligible
LRS	8	10	53	71	25.4%

## 2024 Legislation

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### **Passed Both Houses** (Awaiting Governor Action)

**HB 385 (ERS, JRS, LRS, PSERS)** – This bill adds references to the United States Space Force and Space Force Reserves all throughout Georgia Code, but specifically amends Title 47 so as to include Space Force and Space Force Reserves in the definition of “uniformed services” relating to the type of military service creditable in State retirement systems. This legislation also includes Marine Corps Reserves in the definition of “uniformed services” relative to establishing creditable service by veterans.

**HB 481 (ERS, JRS, LRS, PSERS)** – This bill amends the Public Retirement Systems Investment Authority Law so as to provide a definition for the term “fiduciary,” which means any retirement system administration or any person with respect to a retirement system, who: (1) Exercises any discretionary authority or control relative to the management or disposition of a retirement system’s assets; (2) Renders investment advice for a fee or other compensation, whether directly or indirectly, with respect to any moneys or other property of a retirement system, or has any authority or responsibility to do so; or; (3) Has any discretionary authority or control in the management or administration of the retirement system. In regards to investments and assets of a retirement system, this legislation requires each fiduciary to discharge its duties solely in the interest of plan participants and their beneficiaries, for the exclusive purpose of providing benefits to plan participants and their beneficiaries, and in accordance with these legal provisions first and all other laws, resolutions, ordinances, and plan documents of the retirement system second. Fiduciaries are also required to make investments with care, skill, prudence, and diligence, and must diversify the plans investments so as to minimize the risk of large losses, unless doing so is not advisable. This bill also prohibits fiduciaries from lessening the interests of the participants and their beneficiaries, sacrificing investment returns, or accepting increased investment risks in the promotion of any nonpecuniary interests such as, but not limited to, the furtherance of any social, political, or ideological interests. This legislation also allows fiduciaries to delegate investment management responsibilities to qualified investment personnel, but such delegation does not remove from the fiduciary any liability of breach of fiduciary duty if the delegation is shown to have been based on other influences other than it being in the plans best interest. Additionally, this bill provides that the investment objective of a retirement system must be to provide the greatest possible long-term benefits to members by maximizing the total rate of return on investments, within certain limits of risk and consistent with rate of return assumptions used by the actuaries. Lastly, this legislation requires all retirement systems under the Public Retirement Systems Standards Authority Law, to fully adhere to and change, by November 1, 2024, any plan documents, contracts, local laws, ordinances, or resolutions that are not in compliance with this Code section.

### **Failed to Receive Full Passage**

**HB 285/SB 240 (ERS, JRS, LRS, PSERS)** – Originally drafted in 2023, HB 285, proposed language would increase the allowable percentage of assets the Employees’ Retirement System of Georgia may invest into alternative investments by removing the current 5% cap and increasing it to 10%.

HB 285 failed to be placed on the Senate Rules Calendar before Day 40 of the 2023 session and was substituted into a House Rules amendment for SB 240. Ultimately, such language was removed from SB 240 via a Senate floor amendment and the House disagreed with the changes. The bill failed to receive any further action before the end of the 2023 Legislative Session.

The language from HB 285 was added back into SB 240 via Conference Committee during the 2024 session, but the bill failed to pass the full Senate.

The full Senate amended HB 285 with two fiscal bill floor amendments, which rendered the bill ineligible to move forward. Another amendment was also added in the House. This bill did not move forward during the 2024 session.

**HB 823 (LRS)** – This bill would have increased Legislative Retirement System (LRS) member’s monthly benefit payable at retirement by increasing the multiplier from \$50 to \$75. Individuals who are serving as the presiding officer in the House of Representatives will continue to receive an additional \$200 in their monthly benefit for each year of such member’s presiding creditable service. Such increase will be effective July 1, 2024 and only applies to those individuals who were contributing members on January 1, 2024 or who first becomes an LRS member after January 1, 2024.

**HB 829 (LRS)** – This bill would have removed the current provision in LRS providing an increase in benefit multiplier for only those members who were contributing on or after January 1, 2022 so that all members, active and inactive, upon retirement and current retirees and beneficiaries would receive a benefit using a multiplier of \$50 and an additional \$200 for all years of presiding creditable service.

**SB 117 (ERS, JRS, LRS)** – This bill would have allowed beneficiaries of group term life insurance (GTLI) members of ERS, JRS and LRS to assign GTLI benefits to a person licensed by the State Board of Funeral Service to practice embalming or funeral directing in order to pay for the cost of funeral service of the deceased member.

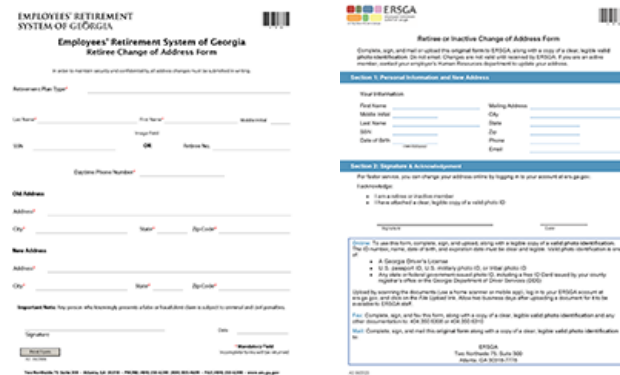
Assignments authorized by this Code section must be in writing on a form provided by ERS, JRS, or LRS and must be attached to a notarized copy of the contract between the beneficiary and licensed funeral director or embalmer. SEAD is then required to pay any sum assigned in the method and manner provided for in the funeral service contract, but only to the extent such terms are carried out in competition.

**SB 308 (LRS)** – This bill would have removed the current provision in LRS providing an increase in benefit multiplier for only those members who were contributing on or after January 1, 2022 so that all members, active and inactive, upon retirement and current retirees and beneficiaries would receive a benefit using a multiplier of \$50 and an additional \$200 for all years of presiding creditable service.

## Projects

### Communications

- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.



- Retirement Minutes were distributed to members, employers, and retirees throughout the year with topics including:
  - Annual LRS email to legislators
  - ERS, LRS, and PSERS Plan Statement communications

### Legislative Affairs

- Legislative Maps
  - Submitted data to new District Mapping Vendor (FiscalNote)
    - Instead of having information for just ERS and PSERS, we now will share pertinent information for ERS, JRS, LRS, PSERS, and PSR.
- LRS Member Statements
  - Created 2024 LRS Member Statements Project Plan
  - Reviewed LRS Member Statement Glossary for needed updates
  - Updated 2024 LRS General Member letter
  - Updated 2024 LRS Speaker letter
  - Worked with the Quality Assurance Division on member data relating to LRS Statements
  - Assembled LRS Member Statement folders with individualized maps for members, Statements and PSR Statements (if applicable)
  - Hand delivered LRS Member Statements folders to State Capitol for distribution on 2/20/2024

### Quality Assurance

- Annual Interest Update
  - The annual interest update for ERS, JRS, LRS and PSERS member accounts was completed July 2023

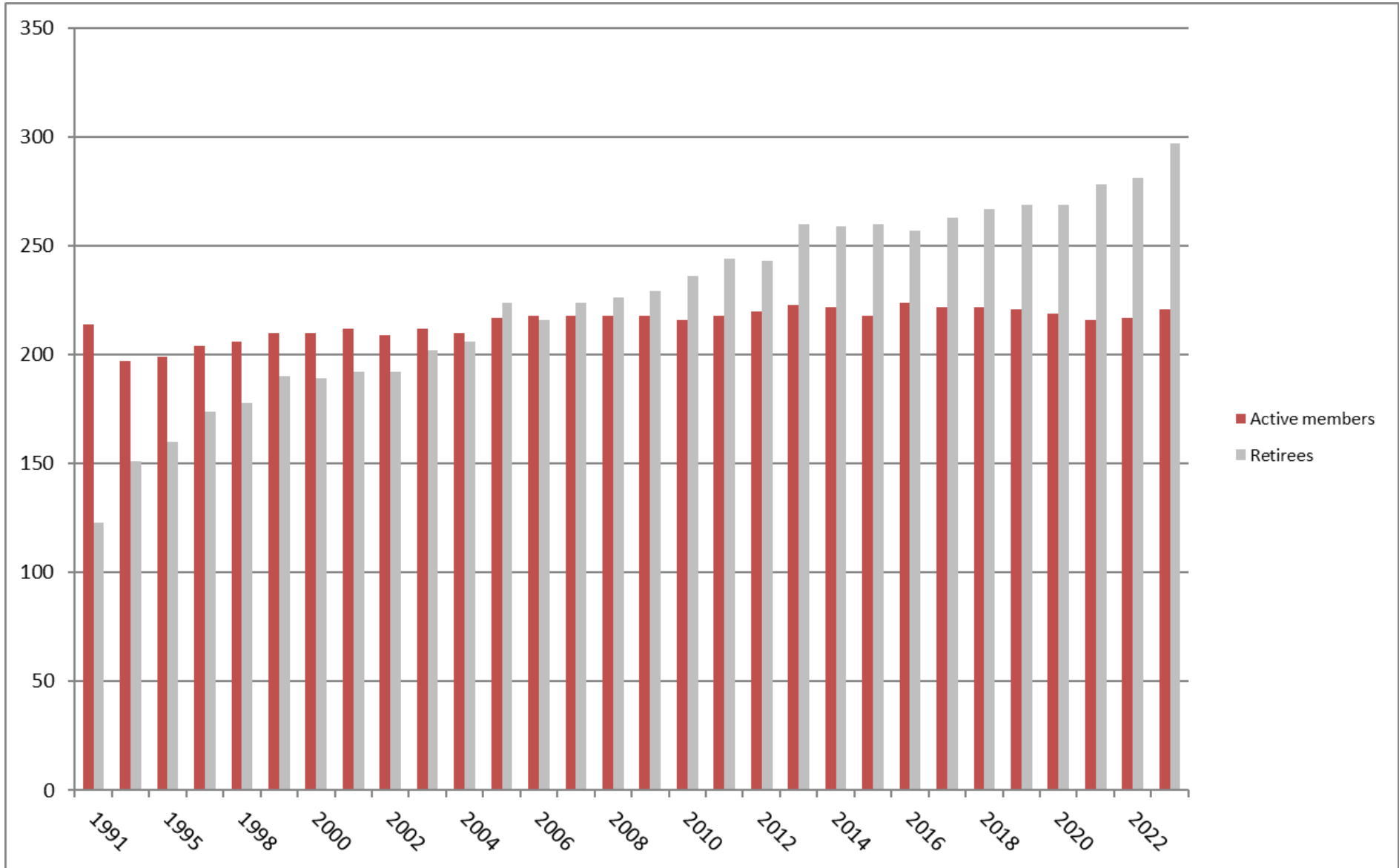
### **Quality Assurance and Information Technology**

- Cost of Living Adjustment / Post Retirement Benefit – PSERS, ERS, JRS, LRS
  - The FY2024 cost of living adjustment (COLA) granted to PSERS, ERS, JRS and LRS retirees and beneficiaries were implemented. The increase was reflected in the July monthly benefit.

### **Quality Assurance and Legislative Affairs**

- LRS Statements
  - The increase in the LRS benefit multiplier from \$36.00 to \$50.00, and the increase for the Speaker of the House were properly reflected on the 2024 Statements

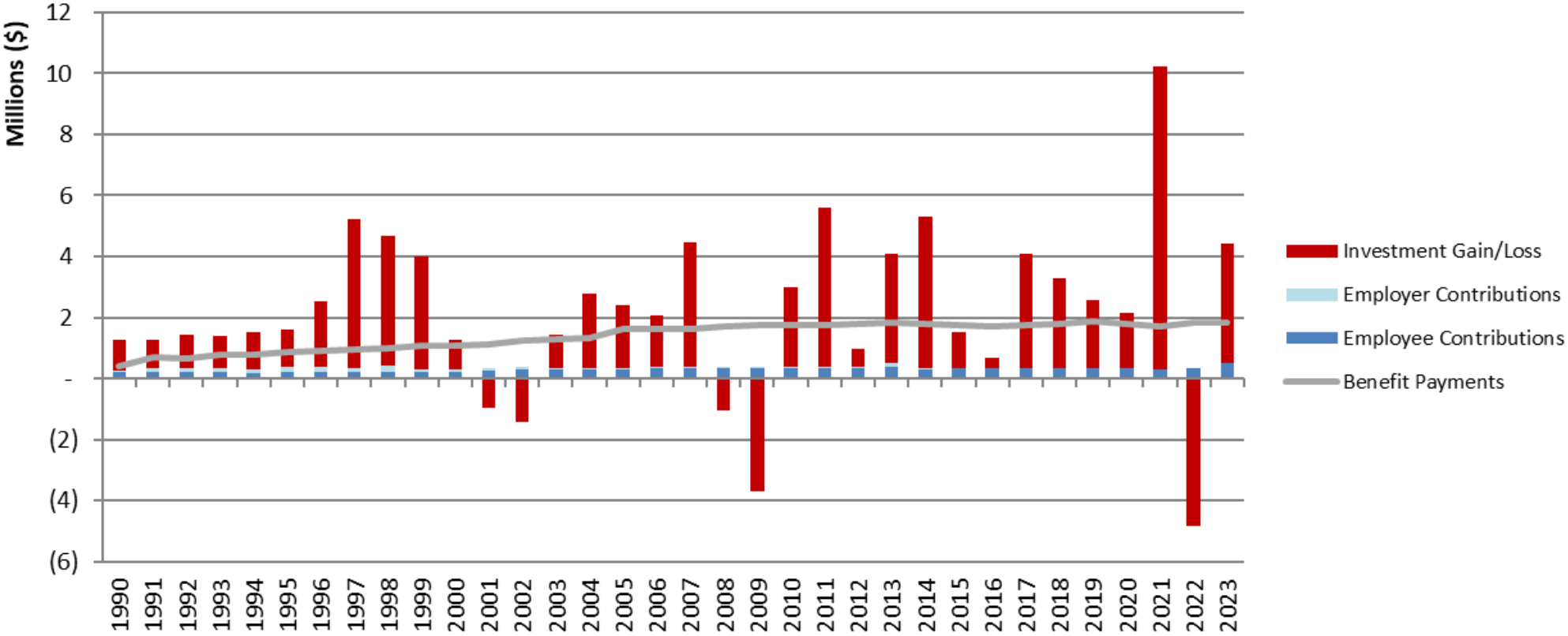
# LRS Changes in Membership 1991-2023



\* Until 1997, valuations were conducted on a bi-annual basis

Active to Retiree Ratio has changed from 1.74 to 0.74

# LRS Historical Sources of Funds to Pay Benefits



## Secretary's Report

Georgia Military Pension Fund

April 18, 2024

### Plan Statistics

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Market Value as of 3/31/2024 – \$45,812,862

There are 13,913 active members and 3,830 terminated vested.

### History of Retirements

Fiscal Year	Count	Monthly Amount
2019	90	\$ 7,800
2020	89	\$ 7,700
2021	147	\$ 12,700
2022	135	\$ 10,600
2023	109	\$ 9,200
2024 (3/31)	81	\$ 6,500

As of March 31, 2024, the Plan had 1,604 retired members receiving a total of \$140,000 each month.

The Actuarially Determined Employer Contribution for FY24 is \$2,793,161, which was submitted and approved.

The Actuarially Determined Employer Contribution for FY25 is \$2,781,444, which was submitted and is pending approval.

# Projects

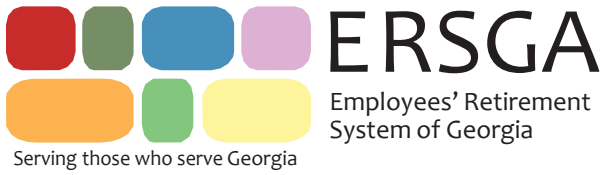
## Communications

- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.



- GMPF Updates: Meetings held with ERSGA Communications and Member Services, and the National Guard to collaborate on:
  - GMPF Plan video: Completed. Subtitled version in production.
  - Retirement Application: completed
  - Retirement Handout: created and under editing
  - Infographic: in production
  - Letter to reach discharged soldiers not receiving their benefit because they have not applied: created and under editing





# Secretary's Report

## Georgia Defined Contribution Plan

April 18, 2024

### Plan Statistics

		February 29, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total Members	≈	143,000*	141,000*	137,000*	135,000*
<i>(Dollars in Thousands)</i>					
Total Amount of Contributions & Interest	\$	147,447*	\$ 141,432*	\$ 132,472*	126,235*
Net Position Restricted for Benefits	\$	148,586	\$ 142,046	\$ 136,658	139,851
Difference	\$	1,139	\$ 614	\$ 4,186	13,616
Annual Member Contributions	\$	11,300	\$ 16,600	\$ 15,686	15,606

\* excludes archived accounts with very low probability of payment

### GDCP Market Value

	February 29, 2024	March 31, 2024
	\$ 148,586,306	\$ 149,751,582

### History of Refunds

Fiscal Year	Count	Amount	Online Refunds	Online Refund Percentage
2019	6,185	\$ 9,428,000	4,343	70%
2020	5,288	\$ 8,302,000	4,372	83%
2021	4,954	\$ 8,779,000	4,581	89%
2022	4,310	\$ 8,092,000	3,898	90%
2023	3,018	\$ 7,453,000	2,345	78%
2024 (3/31)	2,830	\$ 6,354,000	2,437	86%

### Miscellaneous

Members are required to contribute 7.5% of their annual salary. There are no employer contributions. Earnings will be credited to each member's account as adopted by the ERS Board of Trustees. Upon termination of employment, the amount of the member's account is refundable upon request by the member.

# Projects

## Communications

- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.

**EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA**  
**Employees' Retirement System of Georgia**  
**Retiree Change of Address Form**

In order to maintain security and confidentiality of address changes, this form is submitted in writing.

Retiree's Plan Type: \_\_\_\_\_

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employee Phone Number: \_\_\_\_\_

Old Address:  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

New Address:  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Handwritten Note: \_\_\_\_\_

For Instructions, go to [www.ersga.com](http://www.ersga.com). Member ID: \_\_\_\_\_ Password: \_\_\_\_\_

**ERSGA**  
**Retiree or Inactive Change of Address Form**

Complete, sign, and mail or e-mail this original form to ERSGA, along with a copy of a clear, legible valid photo identification. Do not email Changes to the web site without logging in to ERSGA. As an ex or active member, contact your employer's Human Resources Department to update your address.

**Section 1: Personal Information and New Address**

Your Information:  
First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_ Last Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_ Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**Section 2: Signature & Acknowledgment**

For better service, you can change your address online by logging in to your account at [ersga.com](http://ersga.com).

Important Note:  
• I am a retiree or inactive member.  
• I have attached a clear, legible copy of a valid photo ID.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Notes:** To use this form, complete, sign, and attach along with a legible copy of a valid photo identification, the following items, date of birth, and expiration date (if the date and expire): valid photo identification as per:  
• A Georgia Driver's License  
• U.S. passport or U.S. military photo ID, or other photo ID  
• Any state or federal government issued photo ID, including a non-ID Card issued by your state, together with the Georgia Department of Driver Services (DDS)  
Signed by returning the form to ERSGA via Home Address or mobile app. Log in to your ERSGA account at [ersga.com](http://ersga.com) and click on the "Contact Us" link to have business days after processing a returned form to be provided to ERSGA staff.  
Note: Complete, sign, and mail this form, along with a copy of a clear, legible valid photo identification and any other documentation: MVA 300-0028 or MVA 300-0019.  
Mail: Complete, sign, and mail this original form along with a copy of a clear, legible valid photo identification to:  
ERSGA  
Two Northside, 75, Suite 500  
Atlanta, GA 30308-1710

## Secretary's Report

### Peach State Reserves

April 18, 2024

### Plan Statistics as of March 31, 2024

	Assets	Participants w/ Balance	Contributing Participants
401(k)	\$ 2,243,609,170	81,696	55,132
457	\$ 778,620,371	11,258	4,814

8,465 enrolled in Participant Managed Accounts as of 3/31/2024; 8,469 enrolled as of 12/31/2023.

### Georgia State Employees' Pension and Savings (GSEPS) Plan 401(k) Statistics

	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024
Total GSEPS Population	50,207	50,562	52,818	57,589	62,009
Actives Eligible	36,708	35,232	34,957	38,574	42,051
Actives Contributing	33,765	32,911	33,031	36,541	39,889
Actives w/ Balance	36,242	34,986	34,840	38,228	41,756
Terms	12,705	14,506	16,969	18,121	19,017

Employer Matching Contributions - FY2020, \$37,968,886; FY2021, \$38,441,803; FY2022, \$42,452,205; FY2023, \$94,486,666; and through 2/28/2024 for FY2024, \$72,962,302.

Forfeitures for Calendar 2020, \$6,592,353; Calendar 2021, \$8,969,059; Calendar 2022, \$6,523,958; and Calendar 2023, \$8,271,303.

### Accomplishments and Upcoming Projects

#### Accomplishments

- Newly Added Peach State Reserves (PSR) Employers
  - East Georgia College (hired a vested GSEPS member)
  - Columbus State University (hired a vested GSEPS member)
  - Chattahoochee County Board of Education (hired vested GSEPS member)
- Completed Annual Statement Redesign and Mailings
  - 45,229 ERS Integrated Defined Benefit (DB)/Defined Contribution (DC)
  - 6,911 ERS DB Only
  - 47,766 Non-ERS, DC Only

	2019	2020	2021	2022	2023
Total Population >= 80%	77.90%	78.11%	76.31%	77.23%	77.89%
GSEPS >= 80%	71.87%	72.13%	70.14%	72.16%	73.59%
New Plan >= 80%	97.05%	97.75%	98.10%	98.14%	98.65%
GSEPS >= 80% with membership start >= 7/1/2014	74.70%	74.31%	71.98%	73.52%	74.52%
GSEPS >= 80% with membership start < 7/1/2014	63.48%	65.25%	63.50%	65.98%	68.50%

- Implemented changes to support SB56
- Updated the system and trained staff last summer to capture attestations and elections to enroll eligible tax commissioners in Peach State Reserves with up to a 5% matching contribution
- Added new TIPS fund
  - The new Short-Term TIPS Fund was added to the PSR fund line-up in July
- Staffing changes
  - Hired a new PSR analyst and promoted existing PSR analyst to supervisor
- IRS employee contribution limits and GSEPS employer match
  - Modified plan document to allow GSEPS employer contributions to continue to post after the IRS 402(g) employee contribution limit is hit. For employees to hit the limit, they will have already contributed at least 5% of their benefits eligible salary
- International Stock Index Fund
  - Removed investments in China from the International Stock Index Fund at the end of February
- Eliminated the 457 First of the Month rule
  - Updates moved to production in March that eliminated the rule requiring contribution changes in the 457 plan to have an effective date of the first of the following month. This was a change made possible by language in SECURE 2.0
- GSEPS Low Savers and Social Security Modeling Tool targeted communications
  - Completed communication projects for GSEPS Low Savers and Social Security Modeling Tool promotion which resulted in increased savings and better tool usage

## Communications

- The Communications Division also partners with Alight to produce numerous Peach State Reserves (PSR) communications and to align messaging. These efforts include:
  - Alight campaign review
  - Social Security Tool Planner communication
  - Alight (PSR): China Fund communication
  - CARES Act communication created to remind members who took a 401(k) or 457 withdrawal of the parameters for repayment and tax obligations.
    - CARES Act email: Distributed 11/1/23
    - 5200 emails sent
    - 58% open rate
- Retirement Minutes were distributed to members, employers, and retirees throughout the year with topics including:
  - PSR plan updates
  - Annual Statement communications to employers and members

## Legislative Affairs

- Legislative Maps
  - Submitted data to new District Mapping Vendor (FiscalNote)
    - Instead of having information for just ERS and PSERS, we now will share pertinent information for ERS, JRS, LRS, PSERS, and PSR.

## Upcoming projects

- Reallocation of excess forfeitures and expense funds
  - We are planning to complete a reallocation of excess forfeitures and expense funds early this summer

- Target Maturity Bond Fund
  - The 2024 Target Maturity Bond Fund will close this summer with assets transferring to the 2026 Target Maturity Bond Fund
- Lifecycle Funds
  - Next summer we will be adding a 2070 Lifecycle Fund to the Lifecycle target date fund suite
- SECURE 2.0 Catch-up Contributions as Roth requirement

We will begin the work necessary to comply with the SECURE 2.0 requirement of forcing all 50+ catch-up contributions to Roth for participants making over \$145k in prior year. We plan to go live with the changes in January 2026

April 11, 2024

**MEMORANDUM**

**TO:** Members of the Boards of Trustees  
Employees' Retirement System of Georgia

**FROM:** James A. Potvin, Executive Director

**SUBJECT:** Annual Meetings - Boards of Trustees  
Monthly Meeting - Investment Committee  
Thursday, April 18, 2024

The **Annual Meetings** of the Boards of Trustees of the below listed systems are scheduled to be held on **Thursday, April 18, 2024**. The meetings will be available to the general public by conference call, toll free (888) 270-9936 or (602) 333-0032, using conference/access code 421787 and password/security code 692313.

Board members, staff, and select invitees are invited to attend the meeting in the Employees' Retirement System Board Room, First Floor, Two Northside 75, Atlanta, Georgia. Parking spaces at the front of the building will be reserved for the Board members. The schedule is as follows:

Employees' Retirement System - 10:00 A.M.  
**Georgia Judicial Retirement System - 11:00 A.M.**  
Public School Employees Retirement System - 11:15 A.M.  
State Employees' Assurance Department - 11:30 A.M.

The Investment Committee meeting will precede the Board meeting at 8:30 A.M. in the Investment Conference Room, Suite 500, Two Northside 75, Atlanta, Georgia. Teleconference instructions will be sent to members of the Investment Committee upon request. The agenda for the Investment Committee meeting will be mailed separately by the Division of Investment Services.

The above times are approximate. We will proceed as rapidly as possible, starting each meeting immediately upon completion of the preceding one.

Please see the attached agenda package. The teleconference instructions for board members, staff, and other invitees, will be sent separately.

c:	Bryan Webb	Brent Churchwell	Darby Carraway
	Katie Stoff	Lindsay McVicar	Bill Cary
	Ryan Kolb	Elizabeth Holcomb	Tom Horkan
	Christine Hayes	Alicia Bohannon	Mike Majure
	Rick Dunn	Kelsey Finn	Laura Lanier
	Jessica Johnson	Dan Regenstein	Mike Jackson
	Alison Kaye	Autumn Cole	Eddy Hicks
	Christine Murdock	Ed Koebel	Buster Evans
	Sara Arroyo	Cathy Turcot	Trey Shipp
	Austin Trott	Ben Mobley	Bob Bray

**AGENDA**  
**ANNUAL MEETING OF BOARD OF TRUSTEES**  
**GEORGIA JUDICIAL RETIREMENT SYSTEM**  
**April 18, 2024**  
**11:00 A.M.**

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1. Call to order by Chair.
2. Review Secretary's Report. [Agenda Package "A"]
3. Review and approve the report of the Actuary on System as of June 30, 2023.  
[Agenda Package "B"]
4. Consider post-retirement adjustment for FY25.
5. Other business.
6. Adjournment.



# Secretary's Report

Georgia Judicial Retirement System

April 18, 2024

## Plan Statistics

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Market Value as of 3/31/2024 – \$595,519,397

The Plan receives \$4.59 million each year in Employer Contributions.

## Contributions

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There are 536 active members contributing \$5.2 million to the Plan.

In FY2023, 7 members transferred or purchased service, compared to 25 members in FY2022. In FY2024, 6 members have transferred or purchased service as of March 31, 2024.

## Distributions

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### Refunds

Fiscal Year	Count		Amount
2019	3	\$	302,000
2020	2	\$	213,000
2021	2	\$	64,000
2022	2	\$	23,000
2023	7	\$	218,000
2024 (3/31)	5	\$	488,000



## New Retirements

<b>Fiscal Year</b>	<b>Count</b>	<b>Monthly Amount</b>
2019	39	\$ 268,300
2020	20	\$ 134,600
2021	43	\$ 317,700
2022	22	\$ 159,100
2023	24	\$ 196,600
2024 (3/31)	10	\$ 68,000

There are 481 Retired Members and Beneficiaries receiving a total of \$3.05 million each month, and 79 terminated members entitled to but not yet receiving benefits.

## Estimate Requests

<b>Fiscal Year</b>	<b>Approximate Count</b>
2019	54
2020	55
2021	56
2022	28
2023	24
2024 (3/31)	11

## Web Estimates – distinct members by month

<b>Fiscal Year</b>	<b>Approximate Count</b>
2019	137
2020	143
2021	162
2022	149
2023	152
2024 (3/31)	151

## Retirement Eligible as of 2/29/2024

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### ACTIVE

	Early	Normal	Other	Total	% Eligible
JRS	52	88	396	536	26.1%

### INACTIVE - Vested

	Early	Normal	Other	Total	% Eligible
JRS	0	3	37	40	7.5%

## 2024 JRS Legislation

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### Passed Both Houses (Awaiting Governor Action)

**HB 385 (ERS, JRS, LRS, PSERS)** – This bill adds references to the United States Space Force and Space Force Reserves all throughout Georgia Code, but specifically amends Title 47 so as to include Space Force and Space Force Reserves in the definition of “uniformed services” relating to the type of military service creditable in State retirement systems. This legislation also includes Marine Corps Reserves in the definition of “uniformed services” relative to establishing creditable service by veterans.

**HB 481 (ERS, JRS, LRS, PSERS)** – This bill amends the Public Retirement Systems Investment Authority Law so as to provide a definition for the term “fiduciary,” which means any retirement system administration or any person with respect to a retirement system, who: (1) Exercises any discretionary authority or control relative to the management or disposition of a retirement system’s assets; (2) Renders investment advice for a fee or other compensation, whether directly or indirectly, with respect to any moneys or other property of a retirement system, or has any authority or responsibility to do so; or; (3) Has any discretionary authority or control in the management or administration of the retirement system. In regards to investments and assets of a retirement system, this legislation requires each fiduciary to discharge its duties solely in the interest of plan participants and their beneficiaries, for the exclusive purpose of providing benefits to plan participants and their beneficiaries, and in accordance with these legal provisions first and all other laws, resolutions, ordinances, and plan documents of the retirement system second. Fiduciaries are also required to make investments with care, skill, prudence, and diligence, and must diversify the plans investments so as to minimize the risk of large losses, unless doing so is not advisable. This bill also prohibits fiduciaries from lessening the interests of the participants and their beneficiaries, sacrificing investment returns, or accepting increased investment risks in the promotion of any nonpecuniary interests such as, but not limited to, the furtherance of any social, political, or ideological interests. This legislation also allows fiduciaries to delegate investment management responsibilities to qualified investment personnel, but such delegation does not remove from the fiduciary any liability of breach of fiduciary duty if the delegation is shown to have been based on other influences other than it being in the plans best interest. Additionally, this bill provides that the investment objective of a retirement system must be to provide the greatest possible long-term benefits to members by maximizing the total rate of return on investments, within certain limits of risk and consistent with rate of return assumptions used by the actuaries. Lastly, this legislation requires all retirement systems under the Public Retirement Systems Standards Authority Law, to fully adhere to and change, by November 1, 2024, any plan documents, contracts, local laws, ordinances, or resolutions that are not in compliance with this Code section.

**HB 825/HB 643 (JRS)** – This bill would require certain governing authorities to supplement the Georgia Judicial Retirement System (JRS) benefit amount being paid to any retired district attorney who retired from such circuit, along with the beneficiary of any applicable district attorney. These provisions only apply to any single county judicial circuit where:

- The county site is located in an unincorporated area of the county; and
- The county governing authority has constructed one or more permanent satellite courthouses within the county.

The amount of the supplement, to be paid by the governing authority, will be calculated by multiplying the benefit percentage such JRS member received at retirement with the aggregate county salary supplement being paid to active judges as of the date of their retirement from active service.

HB 643 language was added via a Senate floor amendment, which allows any person who becomes a state court judge of Fulton County on or after July 1, 2004 to participate in a county’s defined contribution plan. In addition, any Fulton County state court judges hired after 2004 will become members of JRS.

### **Failed to Receive Full Passage**

**HB 285/SB 240 (ERS, JRS, LRS, PSERS)** – Originally drafted in 2023, HB 285, proposed language would increase the allowable percentage of assets the Employees’ Retirement System of Georgia may invest into alternative investments by removing the current 5% cap and increasing it to 10%.

HB 285 failed to be placed on the Senate Rules Calendar before Day 40 of the 2023 session and was substituted into a House Rules amendment for SB 240. Ultimately, such language was removed from SB 240 via a Senate floor amendment and the House disagreed with the changes. The bill failed to receive any further action before the end of the 2023 Legislative Session.

The language from HB 285 was added back into SB 240 via Conference Committee during the 2024 session, but the bill failed to pass the full Senate.

The full Senate amended HB 285 with two fiscal bill floor amendments, which rendered the bill ineligible to move forward. Another amendment was also added in the house. This bill did not move forward during the 2024 session.

**HB 479/HB 947/HR 1042 (JRS)** – This bill would have changed the model relating to state judicial compensation for certain JRS members subject to General Assembly appropriations and would have changed the retirement age for Superior Court Judges on or after 7/1/2025 from age 65 to 60. HR 1042 would have created a Judicial Compensation Study Committee. All three bills failed to receive final passage.

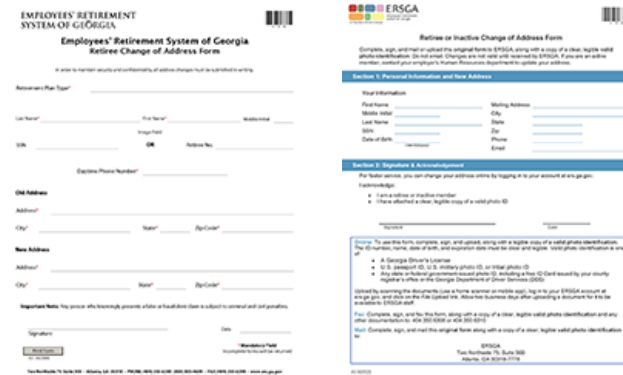
**SB 117 (ERS, JRS, LRS)** – This bill would have allowed beneficiaries of group term life insurance (GTLI) members of ERS, JRS and LRS to assign GTLI benefits to a person licensed by the State Board of Funeral Service to practice embalming or funeral directing in order to pay for the cost of funeral service of the deceased member.

Assignments authorized by this Code section must be in writing on a form provided by ERS, JRS, or LRS and must be attached to a notarized copy of the contract between the beneficiary and licensed funeral director or embalmer. SEAD is then required to pay any sum assigned in the method and manner provided for in the funeral service contract, but only to the extent such terms are carried out in competition.

## **Projects**

### **Communications**

- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.



## Legislative Affairs

- Legislative Maps
  - Submitted data to new District Mapping Vendor (FiscalNote)
    - Instead of having information for just ERS and PSERS, we now will share pertinent information for ERS, JRS, LRS, PSERS, and PSR.
- Mapping Project
  - Completed the *Disability* sections for ERS, JRS, and PSERS Plans (resulted in 15 pages of documentation)
    - For this project, Legislative Affairs aggregates data from several resources such as Statute, Board Decisions, Attorney General Opinions, and other areas in order to document such information on our internal *Plan Requirements* platform as a resource for ERSGA staff.
  - Uploaded *Summary Pages* for ERS, JRS, and PSERS Plans onto Plan Requirements

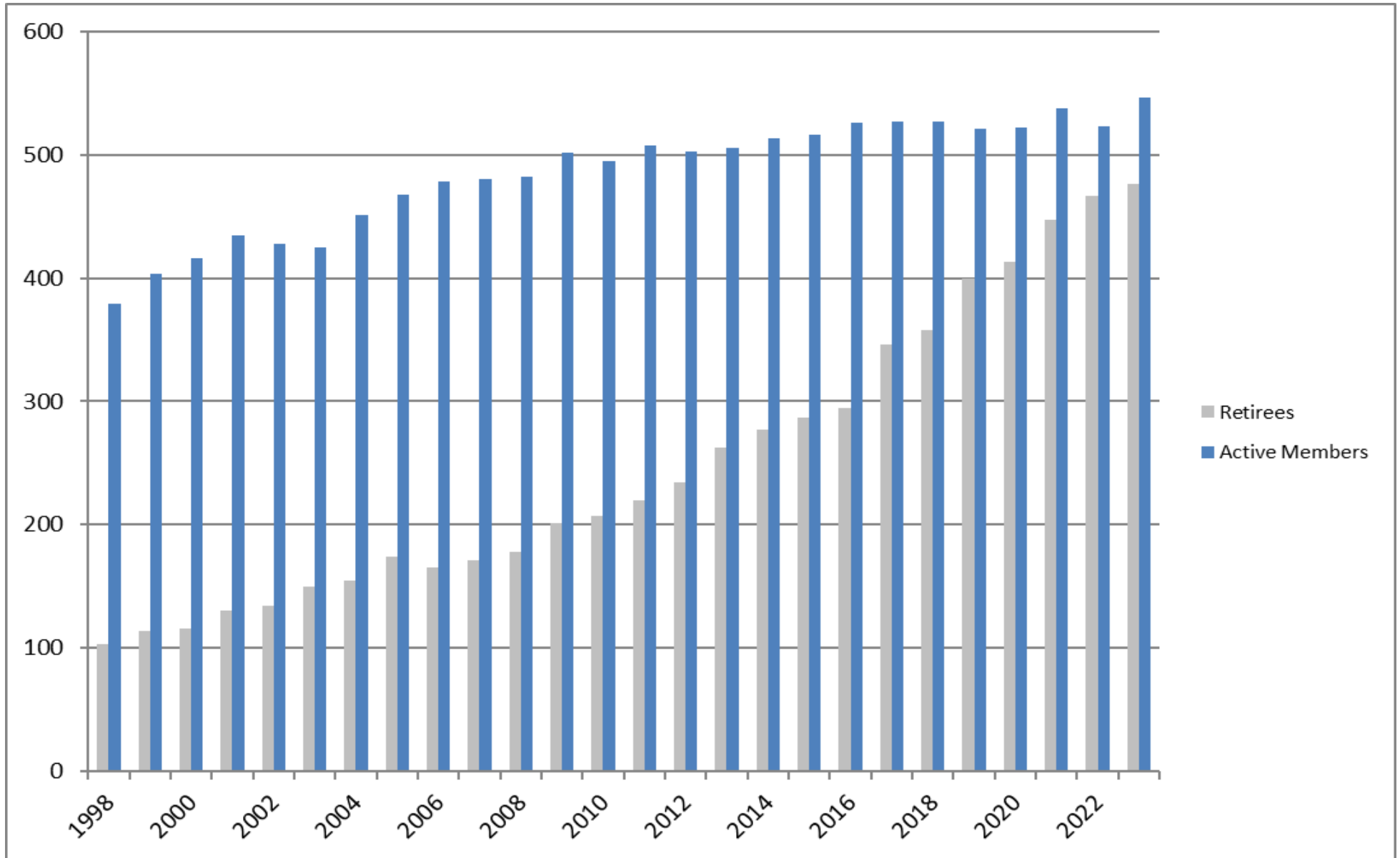
## Quality Assurance

- Annual Interest Update
  - The annual interest update for ERS, JRS, LRS and PSERS member accounts was completed July 2023
- JRS Member Statements
  - The annual JRS Statements for active JRS Members is being prepared to be mailed in May 2024

## Quality Assurance and Information Technology

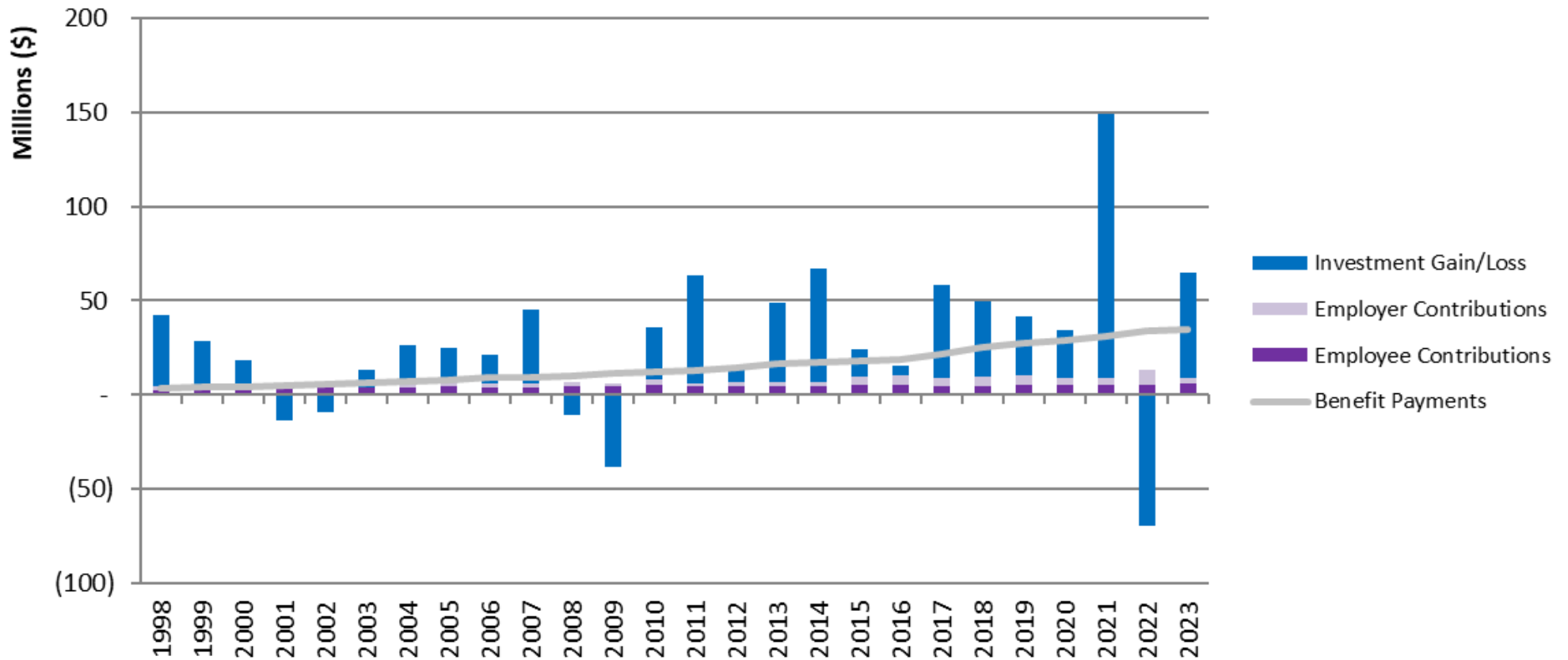
- Cost of Living Adjustment / Post Retirement Benefit – PSERS, ERS, JRS, LRS
  - The FY2024 cost of living adjustment (COLA) granted to PSERS, ERS, JRS and LRS retirees and beneficiaries were implemented. The increase was reflected in the July monthly benefit.

# JRS Changes in Membership 1998-2023



*Active to Retiree Ratio has changed from 3.68 to 1.15*

# GJRS Historical Sources of Funds to Pay Benefits



April 11, 2024

**MEMORANDUM**

**TO:** Members of the Boards of Trustees  
Employees' Retirement System of Georgia

**FROM:** James A. Potvin, Executive Director

**SUBJECT:** Annual Meetings - Boards of Trustees  
Monthly Meeting - Investment Committee  
Thursday, April 18, 2024

The **Annual Meetings** of the Boards of Trustees of the below listed systems are scheduled to be held on **Thursday, April 18, 2024**. The meetings will be available to the general public by conference call, toll free (888) 270-9936 or (602) 333-0032, using conference/access code 421787 and password/security code 692313.

Board members, staff, and select invitees are invited to attend the meeting in the Employees' Retirement System Board Room, First Floor, Two Northside 75, Atlanta, Georgia. Parking spaces at the front of the building will be reserved for the Board members. The schedule is as follows:

Employees' Retirement System - 10:00 A.M.  
Georgia Judicial Retirement System - 11:00 A.M.  
**Public School Employees Retirement System - 11:15 A.M.**  
State Employees' Assurance Department - 11:30 A.M.

The Investment Committee meeting will precede the Board meeting at 8:30 A.M. in the Investment Conference Room, Suite 500, Two Northside 75, Atlanta, Georgia. Teleconference instructions will be sent to members of the Investment Committee upon request. The agenda for the Investment Committee meeting will be mailed separately by the Division of Investment Services.

The above times are approximate. We will proceed as rapidly as possible, starting each meeting immediately upon completion of the preceding one.

Please see the attached agenda package. The teleconference instructions for board members, staff, and other invitees, will be sent separately.

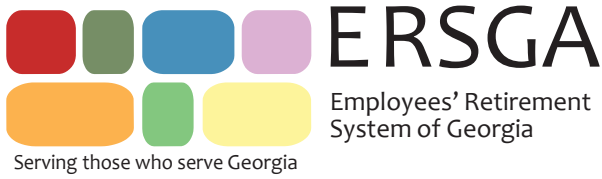
c:	Bryan Webb	Brent Churchwell	Darby Carraway
	Katie Stoff	Lindsay McVicar	Bill Cary
	Ryan Kolb	Elizabeth Holcomb	Tom Horkan
	Christine Hayes	Alicia Bohannon	Mike Majure
	Rick Dunn	Kelsey Finn	Laura Lanier
	Jessica Johnson	Dan Regenstein	Mike Jackson
	Alison Kaye	Autumn Cole	Eddy Hicks
	Christine Murdock	Ed Koebel	Buster Evans
	Sara Arroyo	Cathy Turcot	Trey Shipp
	Austin Trott	Ben Mobley	Bob Bray

**AGENDA**  
**ANNUAL MEETING OF BOARD OF TRUSTEES**  
**PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM**  
**April 18, 2024**  
**11:15 A.M.**

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1. Call to order by Chair.
2. Review Secretary's Report. [Agenda Package "A"]
3. Review and approve the report of the Actuary on System as of June 30, 2023.  
[Agenda Package "B"]
4. Consider post-retirement adjustment for FY25.
5. Other business.
6. Adjournment.





# Secretary's Report

## Public School Employees Retirement System

April 18, 2024

### Plan Statistics

Market Value as of 3/31/2024 – \$1,212,883,459

### Contributions

There are 33,482 active members contributing \$2.4 million each year.

For FY24, the Actuarially Determined Employer Contribution (ADEC) is \$29,531,000, which has been approved.

For FY25, the Actuarially Determined Employer Contribution (ADEC) is \$28,322,000, which is pending approval.

Service Purchase – The Plan had 23 members purchase service in FY2023, compared to 33 in FY2022. In FY2024, 8 members have purchased service to date. The average number of members purchasing service over each of the last five fiscal years is 23.

### Distributions

Refunds	Fiscal Year	Count	Amount	Online Refunds	Online Refund Percentage
	2019	2,526	\$ 543,000	1,516	60%
	2020	2,030	\$ 492,000	1,396	69%
	2021	1,936	\$ 558,000	1,481	76%
	2022	1,680	\$ 541,000	1,230	73%
	2023	1,440	\$ 492,000	637	44%
	2024 (3/31)	1,667	\$ 518,000	1,032	62%

## New Retirements

<b>Fiscal Year</b>	<b>Count</b>	<b>Monthly Amount</b>
2019	1,239	\$304,800
2020	1,094	\$279,500
2021	1,254	\$329,500
2022	1,333	\$345,400
2023	1,166	\$323,900
2024 (3/31)	894	\$236,100

There are 20,395 Retired Members and Beneficiaries receiving a total of \$6.17 million each month, and 56,296 terminated members entitled to but not yet receiving benefits.

## History of Deceased Members/Retirees

<b>Fiscal Year</b>	<b>Count</b>
2019	890
2020	1,029
2021	1,256
2022	1,205
2023	1,054
2024 (3/31)	581

## Estimate Requests

<b>Fiscal Year</b>	<b>Count</b>
2019	2,132
2020	1,917
2021	2,200
2022	2,015
2023	2,093
2024 (3/31)	1,637

## Web Estimates - distinct members by month

<b>Fiscal Year</b>	<b>Count</b>
2019	945
2020	885
2021	1,073
2022	1,013
2023	844
2024 (3/31)	805

## Retirement Eligible as of 2/29/2024

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### ACTIVE

	Early	Normal	Other	Total	% Eligible
PRS	2,731	2,782	27,968	33,481	16.5%

### INACTIVE - Vested

	Early	Normal	Other	Total	% Eligible
PRS	1,110	872	3,533	6,115	42.2%

## 2024 Legislation

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### Passed Both Houses (Awaiting Governor Action)

**HB 385 (ERS, JRS, LRS, PSERS)** – This bill adds references to the United States Space Force and Space Force Reserves all throughout Georgia Code, but specifically amends Title 47 so as to include Space Force and Space Force Reserves in the definition of “uniformed services” relating to the type of military service creditable in State retirement systems. This legislation also includes Marine Corps Reserves in the definition of “uniformed services” relative to establishing creditable service by veterans.

**HB 481 (ERS, JRS, LRS, PSERS)** – This bill amends the Public Retirement Systems Investment Authority Law so as to provide a definition for the term “fiduciary,” which means any retirement system administration or any person with respect to a retirement system, who: (1) Exercises any discretionary authority or control relative to the management or disposition of a retirement system’s assets; (2) Renders investment advice for a fee or other compensation, whether directly or indirectly, with respect to any moneys or other property of a retirement system, or has any authority or responsibility to do so; or; (3) Has any discretionary authority or control in the management or administration of the retirement system. In regards to investments and assets of a retirement system, this legislation requires each fiduciary to discharge its duties solely in the interest of plan participants and their beneficiaries, for the exclusive purpose of providing benefits to plan participants and their beneficiaries, and in accordance with these legal provisions first and all other laws, resolutions, ordinances, and plan documents of the retirement system second. Fiduciaries are also required to make investments with care, skill, prudence, and diligence, and must diversify the plans investments so as to minimize the risk of large losses, unless doing so is not advisable. This bill also prohibits fiduciaries from lessening the interests of the participants and their beneficiaries, sacrificing investment returns, or accepting increased investment risks in the promotion of any nonpecuniary interests such as, but not limited to, the furtherance of any social, political, or ideological interests. This legislation also allows fiduciaries to delegate investment management responsibilities to qualified investment personnel, but such delegation does not remove from the fiduciary any liability of breach of fiduciary duty if the delegation is shown to have been based on other influences other than it being in the plans best interest. Additionally, this bill provides that the investment objective of a retirement system must be to provide the greatest possible long-term benefits to members by maximizing the total rate of return on investments, within certain limits of risk and consistent with rate of return assumptions used by the actuaries. Lastly, this legislation requires all retirement systems under the Public Retirement Systems Standards Authority Law, to fully adhere to and change, by November 1, 2024, any plan documents, contracts, local laws, ordinances, or resolutions that are not in compliance with this Code section.

**HB 916 (ERS, PSERS)** – *FY25 Budget* – The annual appropriations bill for Fiscal Year 2025, which begins July 1, 2024, includes \$26,750,000 for to support one-time benefit adjustments for eligible ERS retirees as authorized by the Board of Trustees. The bill includes \$5,675,000 for the first-year cost related to SB 105, which includes a multiplier increase for PSERS members. \$6,000 was also included to fund the first-year cost for HB 472, which would have provided injury in the line of duty benefits to certain law enforcement personnel who are officers, deputy commissioners, and commissioners of the Motor Carrier Compliance Division and the Capitol Police Division of the Department of Public Safety. However, it should be noted that HB 472 did not pass the full Senate, so the funds will be appropriated back to the State.

**SB 105 (PSERS)** – This bill increases the statutory minimum and maximum allowed PSERS benefit multiplier, where the minimum amount is increased from \$14.50 to \$17.00, and the cap is removed. This would also remove the previously set benefit cap of \$15 for

all retirees before August 1, 2012. Additionally, this legislation would allow for both permanent and one-time increases to be applied to all PSERS retirees benefit amount as determined by the PSERS Board of Trustees and upon appropriated funds from the General Assembly. Such provisions would become effect July 1, 2024.

### Failed to Receive Full Passage

**HB 285/SB 240 (ERS, JRS, LRS, PSERS)** – Originally drafted in 2023, HB 285, proposed language would increase the allowable percentage of assets the Employees’ Retirement System of Georgia may invest into alternative investments by removing the current 5% cap and increasing it to 10%.

HB 285 failed to be placed on the Senate Rules Calendar before Day 40 of the 2023 session and was substituted into a House Rules amendment for SB 240. Ultimately, such language was removed from SB 240 via a Senate floor amendment and the House disagreed with the changes. The bill failed to receive any further action before the end of the 2023 Legislative Session.

The language from HB 285 was added back into SB 240 via Conference Committee during the 2024 session, but the bill failed to pass the full Senate.

The full Senate amended HB 285 with two fiscal bill floor amendments, which rendered the bill ineligible to move forward. Another amendment was also added in the house. This bill did not move forward during the 2024 session.

## Projects

### Communications

- Forms Design Project: The creation of a uniform design template for all forms has been completed. The new forms are more user-friendly with easy-to-understand instructions and fillable fields. Currently, all web-based plan member forms have been updated in collaboration with Member Services. Employer forms will begin in the new fiscal year. Below left is the old Retiree Change of Address form, and the new form is on the right.



- Retirement Minutes were distributed to members, employers, and retirees throughout the year with topics including:
  - PSERS Benefit Multiplier Increase communications
  - Employer communication: PSERS Survey Email Reminders
  - ERS, LRS, and PSERS Plan Statement communications
- Virtual and in-person presentations provided to state agencies on financial literacy and comprehending the member’s plan benefit, with an emphasis on the importance of receiving the full GSEPS match.
  - PSERS Presentation: Middle Georgia Regional Educational Service Agency

### Legislative Affairs

- Legislative Maps
  - Submitted data to new District Mapping Vendor (FiscalNote)
    - Instead of having information for just ERS and PSERS, we now will share pertinent information for ERS, JRS, LRS, PSERS, and PSR.
- Public School Employees Retirement System (PSERS) Social Security Compliance Report
  - Developed Project Plan for PSERS SSA Survey in accordance with proposed language from SB 240
  - Scheduled all meetings associated with Project Plan
  - Submitted query for contact information for survey participants
  - Created and Developed Survey Fact Sheet, Survey Email, and [Survey](#)

- Emailed Survey on May 17, 2023 to 988 unique employer contacts
- Responded to questions related to Survey from employers
- Developed Project Report Spreadsheet to upload survey results, analyze data, and track participation
- Created Top 3 Reasons Why participants should respond to the Survey and collaborated with the Communications Division to develop email to send to non-respondents
- Drafted Cover Letter for distribution of Report
- Created final version of Report for distribution
- Distribution of Final Report on 11/2/2023 (prior to project deadline)
  - Report sent to Chairman Larry Walker, Chairman Rick Williams, Chairman John Carson, Rick Dunn, and Will Brewster
- Mapping Project
  - Completed the *Disability* sections for ERS, JRS, and PSERS Plans (resulted in 15 pages of documentation)
    - For this project, Legislative Affairs aggregates data from several resources such as Statute, Board Decisions, Attorney General Opinions, and other areas in order to document such information on our internal *Plan Requirements* platform as a resource for ERSGA staff.
  - Uploaded *Summary Pages* for ERS, JRS, and PSERS Plans onto Plan Requirements

### Quality Assurance

- Annual Interest Update
  - The annual interest update for ERS, JRS, LRS and PSERS member accounts was completed July 2023

### Quality Assurance and Information Technology

- Benefit Rate Increase - PSERS
  - The increase in the PSERS benefit multiplier from \$16.00 to \$16.50 was successfully updated and implemented with an effective date of July 1, 2023.
- Cost of Living Adjustment / Post Retirement Benefit – PSERS, ERS, JRS, LRS
  - The FY2024 cost of living adjustment (COLA) granted to PSERS, ERS, JRS and LRS retirees and beneficiaries were implemented. The increase was reflected in the July monthly benefit.

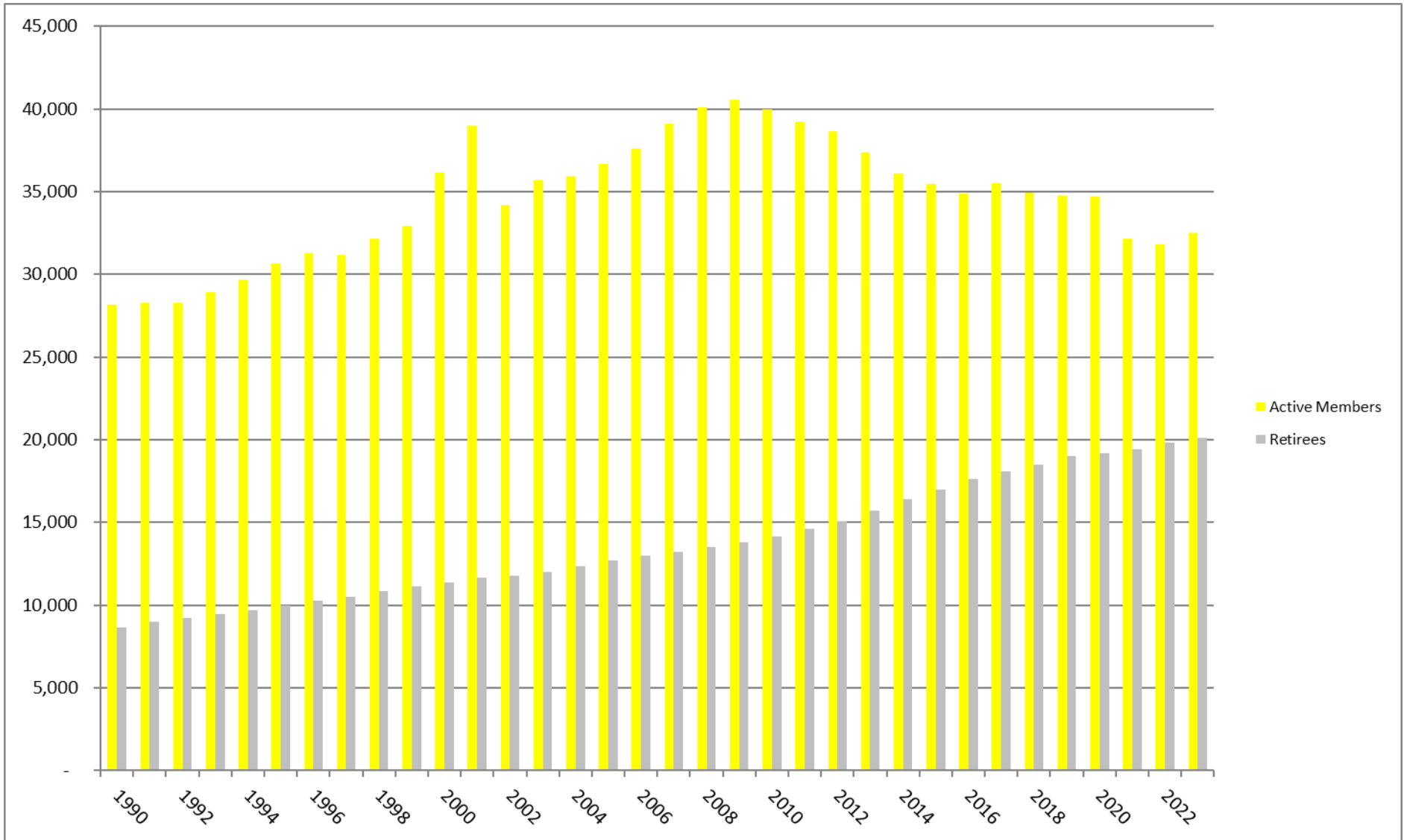
### Quality Assurance and Legislative Affairs

- PSERS 218 Coverage Survey Project
  - Assisted Legislative Affairs with the feedback received
  - Provided five school systems with their individual documentation and analysis of Social Security Administration coverage.
  - 91% of the employer population surveyed have submitted responses.
  - Efforts were made to follow-up with 16 different employers for responses not yet received.

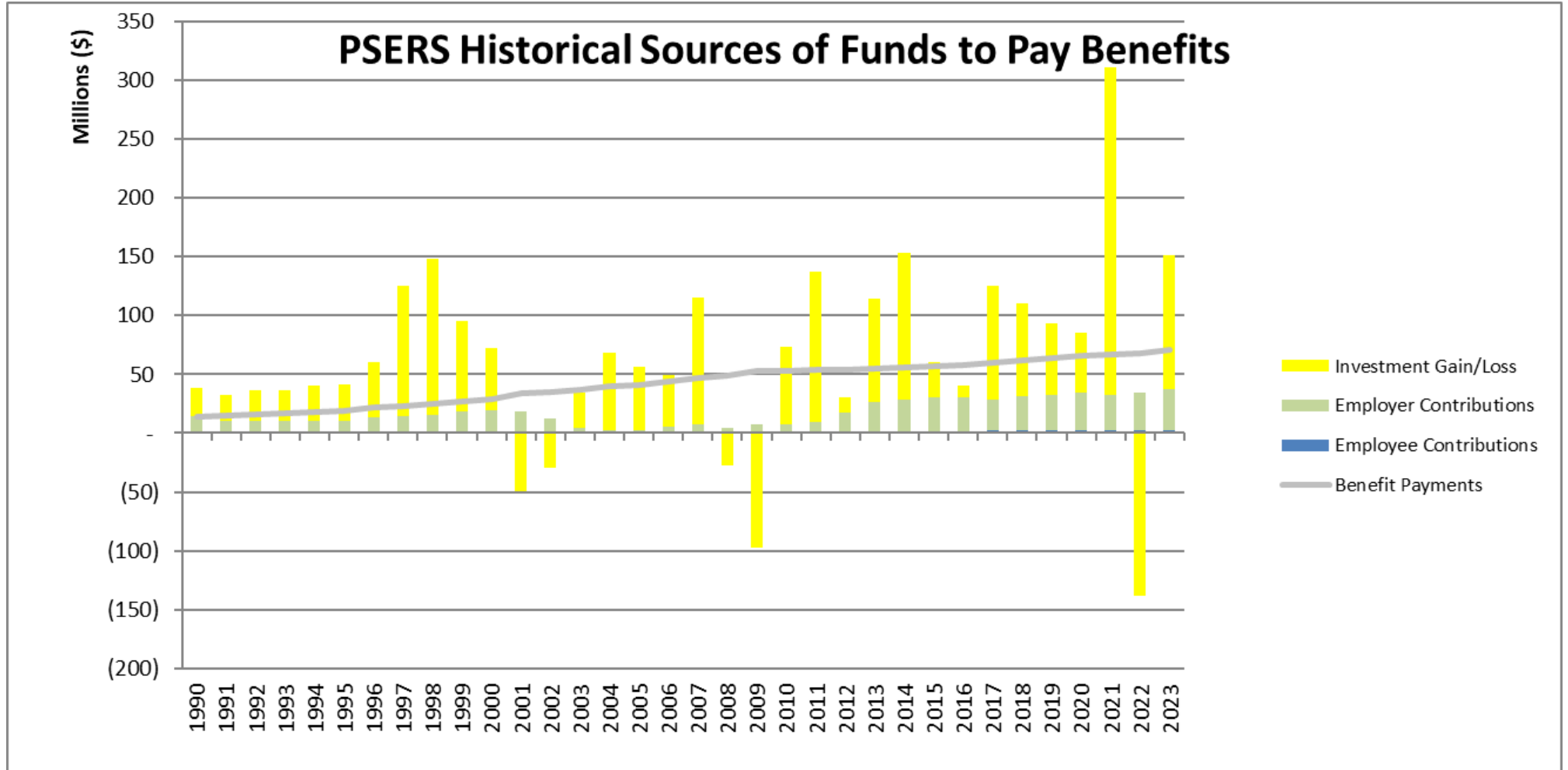
### Quality Assurance, Financial Management, Member Services, and Information Technology

- PSERS Member Statements
  - The statement project is a multi-group effort,
    - in which we work together to make any required changes in statement design;
    - post and verify the underlying data;
    - prepare and test all calculations, and
    - communicate delivery to Members
  - The PSERS Statements for active Members were delivered in March 2024.
  - 32,008 Members received statements.

## PSERS Changes in Membership 1990-2023



Active to Retiree Ratio has changed from 3.25 to 1.62



April 11, 2024

**MEMORANDUM**

**TO:** Members of the Boards of Trustees  
Employees' Retirement System of Georgia

**FROM:** James A. Potvin, Executive Director

**SUBJECT:** Annual Meetings - Boards of Trustees  
Monthly Meeting - Investment Committee  
Thursday, April 18, 2024

The **Annual Meetings** of the Boards of Trustees of the below listed systems are scheduled to be held on **Thursday, April 18, 2024**. The meetings will be available to the general public by conference call, toll free (888) 270-9936 or (602) 333-0032, using conference/access code 421787 and password/security code 692313.

Board members, staff, and select invitees are invited to attend the meeting in the Employees' Retirement System Board Room, First Floor, Two Northside 75, Atlanta, Georgia. Parking spaces at the front of the building will be reserved for the Board members. The schedule is as follows:

Employees' Retirement System - 10:00 A.M.  
Georgia Judicial Retirement System - 11:00 A.M.  
Public School Employees Retirement System - 11:15 A.M.  
**State Employees' Assurance Department - 11:30 A.M.**

The Investment Committee meeting will precede the Board meeting at 8:30 A.M. in the Investment Conference Room, Suite 500, Two Northside 75, Atlanta, Georgia. Teleconference instructions will be sent to members of the Investment Committee upon request. The agenda for the Investment Committee meeting will be mailed separately by the Division of Investment Services.

The above times are approximate. We will proceed as rapidly as possible, starting each meeting immediately upon completion of the preceding one.

Please see the attached agenda package. The teleconference instructions for board members, staff, and other invitees, will be sent separately.

c:	Bryan Webb	Brent Churchwell	Darby Carraway
	Katie Stoff	Lindsay McVicar	Bill Cary
	Ryan Kolb	Elizabeth Holcomb	Tom Horkan
	Christine Hayes	Alicia Bohannon	Mike Majure
	Rick Dunn	Kelsey Finn	Laura Lanier
	Jessica Johnson	Dan Regenstein	Mike Jackson
	Alison Kaye	Autumn Cole	Eddy Hicks
	Christine Murdock	Ed Koebel	Buster Evans
	Sara Arroyo	Cathy Turcot	Trey Shipp
	Austin Trott	Ben Mobley	Bob Bray



**AGENDA**  
**ANNUAL MEETING OF BOARD OF DIRECTORS**  
**STATE EMPLOYEES' ASSURANCE DEPARTMENT**  
**April 18, 2024**  
**11:30 A.M.**

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1. Call to order by Chair.
2. Review and approve the report of the Actuary on SEAD-Active as of June 30, 2023. [Agenda Package "A"]
3. Review and approve the report of the Actuary on SEAD-OPEB as of June 30, 2023. [Agenda Package "B"]
4. Other business.
5. Adjournment.