

**GEORGIA PUBLIC SCHOOL EMPLOYEES'**

**RETIREMENT SYSTEM**

**REPORT OF ACTUARY**

**ON THE VALUATION**

**PREPARED AS OF JUNE 30, 2002**



A Mellon Financial Company™

200 Galleria Parkway, N.W., Suite 1900  
Atlanta, Georgia 30339-5945

June 4, 2003

Board of Trustees  
Georgia Public School Employees' Retirement System  
Two Northside 75, Suite 300  
Atlanta, GA 30318

Attention: Ms. Cecelia Corbin Hunter, Executive Director

Members of the Board:

Section 47-4-60 of the law governing the operation of the Georgia Public School Employees' Retirement System provides that the employer contributions shall be actuarially determined and approved by the Board. We have submitted the report giving the results of the actuarial valuation of the System prepared as of June 30, 2002. The report indicates that annual employer contributions at the rate of \$24.36 per active member for the fiscal year ending June 30, 2003 are sufficient to support the benefits of the System. In preparing the valuation, the actuary relied on data provided by the System. While not verifying data at the source, the actuary performed tests for consistency and reasonableness. Our firm, as actuary, is responsible for all of the actuarial trend data in the financial section of the annual report and the supporting schedules in the actuarial section of the annual report.

In our opinion, the valuation is complete and accurate, and the methodology and assumptions used are reasonable as a basis for the valuation. The valuation takes into account the effect of amendments to the System enacted through the 2002 session of the General Assembly.

The System is funded on an actuarial reserve basis. The actuarial assumptions recommended by the actuary and adopted by the Board are in the aggregate reasonably related to the experience under the System and to reasonable expectations of anticipated experience under the System. The assumptions and methods used for funding purposes meet the parameters set for the disclosures presented in the financial section by Governmental Accounting Standards Board (GASB) Statement Nos. 25 and 27. The funding objective of the plan is that contribution rates over time will remain level as a dollar per active member. The valuation method used is the entry age normal cost method. The normal contribution rate to cover current cost has been determined as a dollar per active member. Gains and losses are reflected in the unfunded accrued liability which is negative and being amortized as a level dollar per member within a 20-year period.

The valuation has been prepared in accordance with the parameters set forth in Statement Nos. 25 and 27 of the Governmental Accounting Standards Board. The annual required contribution (ARC) of the employer under GASB for the fiscal year ending June 30, 2004 is \$833,196, which will liquidate the unfunded accrued liability over a 20-year period. The System continues to have a negative Net Pension Obligation (NPO) because more than the annual required contribution under GASB 25/27 was made for the fiscal years ending June 30, 1998, June 30, 1999, June 30, 2000, and June 30, 2001.

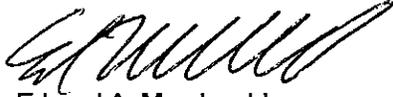
The Retirement System is being funded in conformity with the minimum funding standard set forth in Code Section 47-20-10 of the Public Retirement Systems Standards Law. In our opinion the System is operating on an actuarially sound basis. Assuming that contributions to the System are made by the employer from year to year in the future at the rates recommended on the basis of the successive actuarial valuations, the continued sufficiency of the retirement fund to provide the benefits called for under the System may be safely anticipated.

Buck Consultants, Inc.

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This is to certify that the independent consulting actuary is a member of the American Academy of Actuaries and has experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Macdonald', written in a cursive style.

Edward A. Macdonald  
Principal, Consulting Actuary

EAM:sr

## TABLE OF CONTENTS

<u>Section</u>	<u>Item</u>	<u>Page No.</u>
I	Summary of Principal Results	1
II	Membership Data	2
III	Assets	3
IV	Comments on Valuation	4
V	Contributions Payable by Employers	5
VI	Accounting Information	6
 <u>Schedule</u>		
A	Valuation Balance Sheet	9
B	Development of Actuarial Value of Assets	10
C	Summary of Receipts and Disbursements	11
D	Outline of Actuarial Assumptions and Methods	12
E	Actuarial Cost Method	14
F	Summary of Main System Provisions as Interpreted for Valuation Purposes	15
G	Tables of Membership Data	16
H	Allocation of Annual Required Contribution by School System	27

**GEORGIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM  
REPORT OF ACTUARY  
ON THE VALUATION  
PREPARED AS OF JUNE 30, 2002**

**SECTION I - SUMMARY OF PRINCIPAL RESULTS**

1. For convenience of reference, the principal results of the current and preceding valuations are summarized below.

<b>Valuation Date</b>	<b>June 30, 2002</b>	<b>June 30, 2001</b>
Number of active members	34,207	38,997
Retired members and beneficiaries:		
Number	11,784	11,661
Annual allowances	\$ 35,113,773*	\$ 34,151,616*
Assets:		
Market Value	\$ 697,461,000	\$ 748,571,000
Actuarial Value	727,529,000	708,391,000
Unfunded actuarial accrued liability	\$ (97,233,635)	\$ (95,044,124)
Amortization Period	20 years	40 years
<b>Fiscal Year Ending</b>	<b>June 30, 2004</b>	<b>June 30, 2003</b>
Employer contribution rate per active member:		
Normal	\$ 292.67	\$ 288.48
Accrued liability	<u>(268.31)</u>	<u>(182.81)</u>
Total	24.36	\$ 105.67
Annual required employer contributions (ARC):		
Normal	\$ 10,011,363	\$ 11,249,855
Accrued liability	<u>(9,178,167)</u>	<u>(7,129,178)</u>
Total	\$ 833,196	\$ 4,120,677

\* Does not include increase in benefit accrual rate effective July 1, 2002. The results of the valuation have been adjusted to include this increase.

2. The valuation takes into account the effect of amendments to the System enacted through the 2002 session of the General Assembly. There has been no changes since the previous valuation. The major benefit and contribution provisions of the System as reflected in the valuation are summarized in Schedule F.

3. Schedule D of this report outlines the full set of actuarial assumptions and methods used in the valuation. There have been no changes since the previous valuation.
4. The entry age actuarial cost method was used to prepare the valuation. Schedule E contains a brief description of the actuarial cost method.
5. Comments on the valuation results as of June 30, 2002 are given in Section IV and further discussion of the contributions is set out in Section V.

### **SECTION II - MEMBERSHIP DATA**

1. Data regarding the membership of the System for use as a basis of the valuation were furnished by the Retirement System office. The valuation included 34,207 active members.
2. The following table shows the number of retired members and beneficiaries on the roll as of June 30, 2002 together with the amount of their annual retirement allowances payable under the System as of that date.

**THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF  
RETIRED MEMBERS AND BENEFICIARIES ON THE ROLL  
AS OF JUNE 30, 2002**

GROUP	NUMBER	ANNUAL RETIREMENT ALLOWANCES*
Service Retirements	10,160	\$ 30,286,819
Disability Retirements	982	3,654,654
Beneficiaries of Deceased Members	<u>642</u>	<u>1,172,312</u>
Total	11,784	\$ 35,113,785

\* These amounts do not reflect the 1-1/2% semi-annual cost-of-living adjustment effective July 1, 2002, nor do they reflect the increase in benefit accrual rate effective July 1, 2002.

3. Tables 1 and 2 of Schedule G give the distribution by age and by years of credited service of the number of active members included in the valuation, while Tables 3, 4 and 5 give the number and annual retirement allowances of retired members and beneficiaries included in the valuation, distributed by age.

### SECTION III - ASSETS

1. Two funds are maintained for the purpose of recording the financial transactions of the System, namely, the Members' Contributions Fund and the Pension Accumulation Fund.
  - (a) **Members' Contributions Fund**

The Members' Contributions Fund is the fund to which are credited all contributions made by or on behalf of members together with regular interest thereon. When a member retires, or if a death benefit allowance becomes payable to his beneficiary, his accumulated contributions are transferred from the Members' Contributions Fund to the Pension Accumulation Fund. The portion of the allowance which these contributions provide is then paid from the Pension Accumulation Fund. On June 30, 2002 the market value of assets credited to the Members' Contributions Fund amounted to \$17,841,000.
  - (b) **Pension Accumulation Fund**

The Pension Accumulation Fund is the fund to which all income from investments and all contributions made by employers of members of the System are credited. All retirement allowance and death benefit allowance payments are disbursed from this fund. Upon the retirement of a member, or upon his death if a death benefit allowance is payable, his accumulated contributions are transferred from the Members' Contributions Fund to this fund to provide the member-contributed portion of the allowance. On June 30, 2002 the market value of assets credited to the Pension Accumulation Fund amounted to \$679,620,000.
2. As of June 30, 2002 the total market value of assets amounted to \$697,461,000. The actuarial value of assets used for the current valuation was \$727,529,000. Schedule B shows the development of the actuarial value of assets as of June 30, 2002.
3. Schedule C shows the receipts and disbursements of the System for the two years preceding the valuation date and a reconciliation of the fund balances at market value.

**SECTION IV - COMMENTS ON VALUATION**

1. Schedule A of this report contains the valuation balance sheet which shows the present and prospective assets and liabilities of the System as of June 30, 2002. The valuation was prepared in accordance with the actuarial assumptions set forth in Schedule D and the actuarial cost method which is described in Schedule E.
2. The valuation balance sheet shows that the System has total prospective liabilities of \$686,999,485 of which \$382,513,139 is for the prospective benefits payable on account of present retired members, beneficiaries of deceased members, and terminated members entitled to deferred benefits, and \$304,486,346 is for the prospective benefits payable on account of present active members. Against these liabilities, the System has total present assets of \$727,529,000 as of June 30, 2002. The difference of (\$40,529,515) between the total liabilities and the total present assets represents the present value of contributions to be made in the future. Of this amount, \$6,210,936 is the present value of future contributions expected to be made by or on behalf of members to the Members' Contributions Fund, and the balance of (\$46,740,451) represents the present value of future contributions payable by the employers to the Pension Accumulation Fund.
3. The employers' contributions to the System consist of normal contributions and accrued liability contributions. The valuation indicates that annual employer normal contributions at the rate of \$292.67 per active member are required under the entry age method.
4. Prospective normal contributions at the rate of \$292.67 have a present value of \$50,493,184. When this amount is subtracted from (\$46,740,451) which is the present value of the total future contributions to be made by the employers, there remains (\$97,233,635) as the amount of unfunded accrued liability contributions.

**SECTION V - CONTRIBUTIONS PAYABLE BY EMPLOYERS**

1. The contributions of employers consist of a normal contribution and an accrued liability contribution as determined by actuarial valuation.
2. The normal contribution rate is calculated as the level dollar amount which, if applied for the average new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf. On the basis of the valuation the normal contribution rate was determined to be \$292.67 per active member.
3. The accrued liability contribution is the level annual amount which will be sufficient to amortize the unfunded actuarial accrued liability within approximately 20 years following the valuation date. The annual accrued liability contribution determined on this basis is (\$9,178,167), or (\$268.31) per active member.
4. The following table summarizes the employer contributions which were determined by the June 30, 2002 valuation and are recommended for use.

**ANNUAL REQUIRED EMPLOYER CONTRIBUTIONS (ARC)  
FOR FISCAL YEAR ENDING JUNE 30, 2004**

CONTRIBUTION	PER ACTIVE MEMBER	ANNUAL AMOUNT
Normal	\$ 292.67	\$ 10,011,363
Accrued Liability	<u>(268.31)</u>	<u>(9,178,167)</u>
Total	\$ 24.36	\$ 833,196

5. Legislation was passed by the General Assembly during the 2002 session to increase the maximum benefit multiplier to \$15.00 to the extent funds are appropriated. The cost of each \$0.50 increase in the benefit multiplier for active and retired members is \$2,681,000.
6. Schedule H shows the allocation of the annual required contribution for fiscal years 2003/2004 by school system.

**SECTION VI - ACCOUNTING INFORMATION**

1. Governmental Accounting Standards Board Statements 25 and 27 set forth certain items of required supplementary information to be disclosed in the financial statements of the System and the employer. One such item is a distribution of the number of employees by type of membership, as follows:

**NUMBER OF ACTIVE AND RETIRED MEMBERS  
AS OF JUNE 30, 2002**

GROUP	NUMBER
Retirees and beneficiaries currently receiving benefits	11,784
Terminated employees entitled to benefits but not yet receiving benefits	40,873
Active plan members	<u>34,207</u>
Total	86,864

2. Another such item is the schedule of funding progress as shown below.

**SCHEDULE OF FUNDING PROGRESS  
(Dollar amounts in thousands)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
6/30/97	\$462,639	\$465,764	\$ 3,125	99.3%	N/A	N/A
6/30/98	528,770	504,779	(23,991)	104.8	N/A	N/A
6/30/99	599,464	586,352	(13,112)	102.2	N/A	N/A
6/30/00	667,642	615,357	(52,285)	108.5	N/A	N/A
6/30/01	708,391	613,347	(95,044)	115.5	N/A	N/A
6/30/02	727,529	630,295	(97,234)	115.4	N/A	N/A

3. The following shows the schedule of employer contributions (dollar amounts in thousands):

<u>Year Ending</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
6/30/97	\$13,645	100%
6/30/98	13,638	107
6/30/99	10,839	158
6/30/00	9,789	184
6/30/01	12,874	132
6/30/02	11,623	100

4. Following is the calculation of the annual pension cost and net pension obligation for the fiscal year ending June 30, 2002.

**Annual Pension Cost and Net Pension Obligation for Fiscal Year Ending June 30, 2002**

(a) Employer annual required contribution	\$ 11,623,000
(b) Interest on net pension obligation	(1,360,000)
(c) Adjustment to annual required contribution	<u>(1,458,000)</u>
(d) Annual pension cost (a) + (b) – (c)	\$ 11,721,000
(e) Employer contributions made for fiscal year ending 6/30/02	<u>11,623,000</u>
(f) Increase (decrease) in net pension obligation (d) – (e)	\$ (98,000)
(g) Net pension obligation beginning of fiscal year	<u>(19,434,000)</u>
(h) Net pension obligation end of fiscal year (f) + (g)	\$ (19,336,000)

**TREND INFORMATION**  
(\$ in 1,000's)

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation (NPO)</u>
June 30, 2000	\$ 9,825	184%	\$ (15,355)
June 30, 2001	12,951	131	(19,434)
June 30, 2002	11,721	99	(19,336)

5. The annual required contribution (ARC) of the employer in dollars, determined in accordance with the parameters of GASB 25/27 is shown below. The accrued liability rate is based on amortization of the unfunded accrued liability of (\$97,233,635) over a 20-year period from the valuation date.

**2003/2004 FISCAL YEAR  
ANNUAL REQUIRED CONTRIBUTION (ARC)  
BASED ON THE VALUATION AS OF JUNE 30, 2002**

ANNUAL REQUIRED CONTRIBUTION (ARC)	AMOUNT
Normal	\$ 10,011,363
Accrued Liability	<u>(9,178,167)</u>
Total	\$ 833,196

6. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at June 30, 2002. Additional information as of the latest actuarial valuation follows.

Valuation date	6/30/02
Actuarial cost method	Entry age
Amortization method	Level dollar open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of Return*	7.00%
Projected salary Increases	N/A
Cost-of-living adjustments	3% Annually
* Includes inflation at	3.50%

**SCHEDULE A - VALUATION BALANCE SHEET****RESULTS OF THE VALUATION AS OF JUNE 30, 2002  
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES  
OF THE GEORGIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

<u>ACTUARIAL LIABILITIES</u>		
(1) Present value of prospective benefits payable on account of present retired members, beneficiaries of deceased members, and terminated members entitled to deferred benefits		\$ 382,513,139
(2) Present value of prospective benefits payable on account of present active members:		
Service retirement allowances	\$ 284,193,081	
Disability retirement allowances	15,300,005	
Refunds of members' contributions	<u>4,993,260</u>	
Total		<u>\$ 304,486,346</u>
(3) TOTAL ACTUARIAL LIABILITIES		<u>\$ 686,999,485</u>
<u>PRESENT AND PROSPECTIVE ASSETS</u>		
(4) Actuarial value of assets		\$ 727,529,000
(5) Present value of total future contributions = (3) - (4)	(40,529,515)	
(6) Present value of future member contributions to the Members' Contributions Fund		6,210,936
(7) Present value of future employer contributions to the Pension Accumulation Fund = (5) - (6)	\$ (46,740,451)	
(8) Employer normal contribution rate	\$ 292.67	
(9) Present value of future membership service	172,526	
(10) Prospective normal contributions = (8) x (9)		50,493,184
(11) Prospective unfunded accrued liability contributions = (7) - (10)		<u>(97,233,635)</u>
(12) TOTAL PRESENT AND PROSPECTIVE ASSETS		<u>\$ 686,999,485</u>

**SCHEDULE B**

**DEVELOPMENT OF JUNE 30, 2002 ACTUARIAL VALUE OF ASSETS**  
**(All dollar amounts are \$1,000's)**

(1)	Actuarial Value of Assets on June 30, 2001	\$ 708,391
(2)	2001/2002 Net Cash Flow	
	a. Contributions	12,898
	b. Disbursements	<u>35,055</u>
	c. Net Cash Flow	
	(2)a - (2)b	(22,157)
(3)	Expected Investment Return [(1) x .07] + [(2)c x .035]	48,812
(4)	Expected Actuarial Value of Assets on June 30, 2002 (1) + (2)c + (3)	735,046
(5)	Market Value of Assets on June 30, 2002	697,461
(6)	Excess of Market Value over Expected Actuarial Value (5) - (4)	(37,585)
(7)	20% Adjustment towards Market .20 x (6)	(7,517)
(8)	Actuarial Value of Assets on June 30, 2002 (4) + (7)	\$ 727,529

**SCHEDULE C****SUMMARY OF RECEIPTS AND DISBURSEMENTS  
(MARKET VALUE)**

	YEAR ENDING	
	June 30, 2002 (\$ thousand)	June 30, 2001 (\$ thousand)
<u>Receipts for the Year</u>		
Contributions:		
Members	\$ 1,275	\$ 1,227
Employers	<u>11,623</u>	<u>17,030</u>
Total	\$ 12,898	\$ 18,257
Net investment income	(28,953)	(49,236)
Administrative expense allotment	<u>625</u>	<u>625</u>
TOTAL	\$ (15,430)	\$ (30,354)
<u>Disbursements for the Year</u>		
Retirement allowances	\$ 34,794	\$ 33,464
Refunds to members	261	282
Administrative expense	<u>625</u>	<u>625</u>
TOTAL	\$ 35,680	\$ 34,371
<u>Excess of Receipts over Disbursements</u>	\$ (51,110)	\$ (64,725)
<u>Reconciliation of Asset Balances – Market Value</u>		
Asset Balance as of the Beginning of the Year	\$ 748,571	\$ 813,296
Excess of Receipts over Disbursements	<u>(51,110)</u>	<u>(64,725)</u>
Asset Balance as of the End of Year	<u>\$ 697,461</u>	<u>\$ 748,571</u>

**SCHEDULE D****OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS**

Adopted by the Board June 20, 2002.

**VALUATION INTEREST RATE:** 7.0% per annum, compounded annually.

**SEPARATIONS BEFORE SERVICE RETIREMENT:** Representative values of the assumed annual rates of separation before service retirement are as follows:

<u>Age</u>	<u>Annual Rates of Withdrawal</u>		
	<u>Years of Service</u>		
	<u>0-4</u>	<u>5-9</u>	<u>10 &amp; Over</u>
<u>Males</u>			
20	36.0%	20.0%	15.0%
25	32.0	13.2	10.0
30	29.0	12.5	8.6
35	26.0	11.5	7.0
40	25.0	10.5	6.0
45	21.0	9.5	5.5
50	19.0	8.5	5.5
55	17.0	7.0	5.0
<u>Females</u>			
20	36.0%	15.0%	15.0%
25	25.0	12.5	10.0
30	21.0	11.6	8.5
35	18.0	10.2	8.0
40	17.5	8.6	7.0
45	17.0	7.5	5.5
50	16.5	6.6	5.5
55	15.0	6.0	4.0

<u>Age</u>	<u>Annual Rates of</u>		
	<u>Death</u>		<u>Disability</u>
	<u>Males</u>	<u>Females</u>	
20	0.06%	0.03%	0.00%
25	0.08	0.03	0.00
30	0.09	0.04	0.00
35	0.09	0.05	0.01
40	0.14	0.08	0.02
45	0.21	0.10	0.10
50	0.36	0.16	0.25
55	0.63	0.26	0.67
60	1.15	0.51	1.00
65	1.99	0.97	0.00

**SERVICE RETIREMENT:**

<u>Age</u>	<u>Annual Rate</u>	<u>Age</u>	<u>Annual Rate</u>
60	15%	66	25%
61	15	67	25
62	30	68	25
63	20	69	25
64	20	70 & over	100
65	35		

**DEATHS AFTER RETIREMENT:** The 1994 Group Annuity Table set forward three years for males and set forward one year for females is used for the period after service retirement and for beneficiaries of deceased members. The 1994 Group Annuity Table set forward 10 years is used for the period after disability retirement. Representative values of the assumed annual rates of mortality for service retirements and beneficiaries are as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>	<u>Age</u>	<u>Males</u>	<u>Females</u>
40	0.135%	0.077%	65	1.986%	0.969%
45	0.210	0.103	70	3.120	1.495
50	0.358	0.157	75	5.021	2.533
55	0.630	0.256	80	8.251	4.395
60	1.147	0.509	85	12.698	7.535

**ASSETS:** Actuarial value, as developed in Schedule B. The actuarial value of assets recognizes a portion of the difference between the market value of assets and the expected actuarial value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20% of the difference between market value and expected actuarial value.

**VALUATION METHOD:** Entry age actuarial cost method. See Schedule E for a brief description of this method.

**SCHEDULE E****ACTUARIAL COST METHOD**

1. The valuation is prepared on the projected benefit basis, under which the present value, at the interest rate assumed to be earned in the future (currently 7.0%), of each member's expected benefits at retirement or death is determined, based on age, service and sex. The calculations take into account the probability of a member's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his terminating with a service, disability or survivor's benefit. The present value of the expected benefits payable on account of the active members is added to the present value of the expected future payments to retired members and beneficiaries to obtain the present value of all expected benefits payable from the System on account of the present group of members and beneficiaries.
2. The employer contributions required to support the benefits of the System are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution.
3. The normal contribution is determined using the entry age actuarial cost method. Under this method, a calculation is made to determine the level amount which, if applied for the average new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf.
4. The unfunded accrued liability is determined by subtracting the present value of prospective employer normal contributions and member contributions, together with the current actuarial value of assets held, from the present value of expected benefits to be paid from the System:

**SCHEDULE F****SUMMARY OF MAIN SYSTEM PROVISIONS  
AS INTERPRETED FOR VALUATION PURPOSES****Normal Retirement Benefit**

Eligibility	Age 65 and 10 years of creditable service.
Benefit	Monthly benefit is \$12.50 multiplied by years of creditable service. A one-time 1.75% increase is made at time of retirement. In addition, the retirement allowance of each retiree will be subject to a cost-of-living adjustment of 1-1/2% each January 1 and July 1.

**Early Retirement Benefit**

Eligibility	Age 60 and 10 years of creditable service.
Benefit	Accrued benefit reduced by 6% for each year member is under age 65.

**Disability Retirement Benefit**

Eligibility	15 years of service.
Benefit	Accrued benefit payable immediately.

**Deferred Vested  
Retirement Benefit**

Eligibility	10 years of service. Member contributions not withdrawn.
Benefit	Accrued benefit deferred to age 65 or reduced benefit payable at age 60.

**Termination Benefit**

If a member dies in service or his service is terminated for reasons other than retirement, he or his beneficiary is entitled to a return of the member's accumulated contributions.

**Optional Forms of Benefit**

- (1) Life annuity. Guaranteed payment of accumulated member contributions.
- (2) Joint and survivorship annuity.
- (3) Certain and life annuity.

**Contributions**

Members contribute \$4 per month.

Employer contributions are actuarially determined and approved and certified by the Board.

**SCHEDULE G**

**TABLE 1**

**THE NUMBER OF MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002**

<b>AGE</b>	<b>MEN</b>	<b>WOMEN</b>
17	2	0
18	3	1
19	9	8
20	23	9
21	39	27
22	47	51
23	46	40
24	56	66
25	43	87
26	51	125
27	69	115
28	69	154
29	87	239
30	96	299
31	87	365
32	132	373
33	119	387
34	128	479
35	120	549
36	181	612
37	171	650
38	189	746
39	220	729
40	219	854
41	263	815
42	239	825
43	220	792
44	246	779
45	246	783
46	251	776
47	254	772
48	225	741
49	236	727
50	231	728
51	233	685
52	277	723
53	254	702
54	296	718
55	278	729
56	254	673

TABLE 1

THE NUMBER OF MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

AGE	MEN	WOMEN
57	257	607
58	246	622
59	274	639
60	296	629
61	269	539
62	265	475
63	210	386
64	189	367
65	198	279
66	187	228
67	166	214
68	141	171
69	142	137
70	121	116
71	101	87
72	80	47
73	55	40
74	50	35
75	25	27
76	28	23
77	14	11
78	24	11
79	8	3
80	1	4
81	7	3
82	3	0
83	3	0
84	1	2
85	2	0
TOTAL	9,572	24,635

TABLE 2

THE NUMBER OF MEMBERS DISTRIBUTED BY  
YEARS OF CREDITED SERVICE AS OF JUNE 30, 2002

YEARS OF SERVICE	MEN	WOMEN
0	365	606
1	1487	3,539
2	1024	2,920
3	927	2,434
4	651	1,906
5	543	1,439
6	531	1,348
7	430	1,197
8	412	1,048
9	357	789
10	297	754
11	245	580
12	254	638
13	258	675
14	205	592
15	189	530
16	134	465
17	142	419
18	141	324
19	88	251
20	108	231
21	111	224
22	89	272
23	87	245
24	67	218
25	66	159
26	58	140
27	61	133
28	31	94
29	46	122
30	21	100
31	35	64
32	21	39
33	10	31
34	19	26
35	10	23
36	17	21
37	9	13
38	9	5
39	1	4

TABLE 2

THE NUMBER OF MEMBERS DISTRIBUTED BY  
YEARS OF CREDITED SERVICE AS OF JUNE 30, 2002

YEARS OF SERVICE	MEN	WOMEN
40	6	5
41	2	2
42	2	1
43	2	1
44		4
45	1	
46	2	2
47		1
48		1
51	1	
TOTAL	9,572	24,635

TABLE 3

**THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002**

**MEMBERS OF THE RETIREMENT SYSTEM**

**SERVICE RETIREMENTS**

AGE	NUMBER	MEN		WOMEN	
		AMOUNT	NUMBER	AMOUNT	NUMBER
60	10	\$ 20,509	24	\$ 44,214	
61	15	23,190	103	207,286	
62	30	66,296	151	312,921	
63	75	166,867	197	455,475	
64	75	181,950	268	624,177	
65	80	195,487	290	712,205	
66	97	228,322	305	788,035	
67	126	311,226	330	892,066	
68	130	327,568	352	960,832	
69	114	313,779	320	896,434	
70	116	308,701	339	983,497	
71	141	408,230	376	1,078,381	
72	145	390,082	318	954,190	
73	136	406,657	321	997,564	
74	124	399,621	284	878,771	
75	126	414,010	304	957,829	
76	124	397,924	280	915,620	
77	114	373,115	303	968,930	
78	112	342,194	254	775,067	
79	110	372,428	249	815,963	
80	89	299,684	278	923,647	
81	83	275,367	202	724,690	
82	80	291,547	240	806,180	
83	74	249,355	231	762,759	
84	82	260,300	164	539,985	
85	63	219,887	157	522,867	
86	50	180,812	146	498,161	
87	39	124,970	124	386,133	
88	33	113,883	125	443,251	
89	25	88,169	90	293,531	
90	31	98,844	85	283,995	
91	18	51,620	43	150,375	
92	13	49,952	50	159,723	

TABLE 3

THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002

## MEMBERS OF THE RETIREMENT SYSTEM

## SERVICE RETIREMENTS

## CONTINUED

AGE	NUMBER	MEN		WOMEN	
		AMOUNT	NUMBER	AMOUNT	NUMBER
93	13	\$ 45,949	34	\$ 128,480	
94	12	41,201	35	121,971	
95	7	23,416	18	61,347	
96	7	22,035	16	53,394	
97	5	14,438	11	45,217	
98	2	6,299	7	22,308	
99	2	8,641	3	9,802	
100	1	2,456	1	3,911	
101			1	3,207	
102			1	2,979	
106	1	2,456			
TOTAL	2,730	\$ 8,119,437	7,430	\$ 22,167,382	

TABLE 4

**THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002**

**MEMBERS OF THE RETIREMENT SYSTEM**

**DISABILITY RETIREMENTS**

AGE	NUMBER	MEN		WOMEN	
		NUMBER	AMOUNT	NUMBER	AMOUNT
40	1		\$ 2,593		
42	1		3,354		
43	2		6,303		
44				2	\$ 6,365
45	3		9,073	1	3,019
46	3		9,161	1	2,346
47	5		16,475	4	10,577
48				2	5,739
49	2		6,681	6	17,312
50	5		15,614	6	18,370
51	6		20,557	4	11,916
52	3		7,917	11	37,251
53	6		22,669	18	57,107
54	1		2,813	7	19,947
55	5		19,530	20	62,745
56	5		16,391	15	50,882
57	10		39,420	19	63,721
58	8		24,803	31	109,413
59	11		36,989	40	134,659
60	8		31,755	47	169,670
61	9		31,019	39	141,744
62	12		51,011	35	122,072
63	10		29,462	49	182,465
64	17		68,047	44	164,185
65	8		32,650	44	173,492
66	13		44,519	33	125,149
67	12		41,219	30	107,179
68	7		26,355	33	126,343
69	6		19,559	21	77,897
70	11		39,862	25	99,580
71	8		28,797	12	42,575
72	7		25,011	19	81,774
73	1		3,038	13	56,879
74	3		19,131	17	70,783
75	2		10,340	9	36,550
76	10		55,327	5	19,487
77	3		14,446	3	13,303
78	2		8,264	9	35,213

TABLE 4

THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002

MEMBERS OF THE RETIREMENT SYSTEM

DISABILITY RETIREMENTS

CONTINUED

AGE	NUMBER	MEN		WOMEN	
		AMOUNT	NUMBER	AMOUNT	NUMBER
79	5	24,681	9	35,884	
80	5	23,617	4	19,579	
81	3	13,615	5	20,512	
82	3	14,713	9	34,881	
83	3	12,667	3	15,827	
84	2	9,642	6	23,718	
85	1	2,745	5	21,306	
86	3	10,848			
87			5	22,696	
88	2	10,461	2	9,573	
89	2	7,368	3	14,258	
90			2	8,199	
TOTAL	255	\$ 970,512	727	\$ 2,684,142	

TABLE 5

**THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002**

**BENEFICIARIES OF DECEASED  
ACTIVE AND RETIRED MEMBERS  
OF THE RETIREMENT SYSTEM**

AGE	NUMBER	MEN		WOMEN	
		AMOUNT	NUMBER	AMOUNT	NUMBER
19	3	\$ 3,570	2		
20	2	6,175	1	\$ 1,509	
21	1	2,260	1	1,017	
22			2	2,816	
23	1	1,383	2	2,259	
25			2	4,638	
26			1	774	
27	2	4,653	4	4,883	
28	2	3,371	1	2,555	
29	3	5,093	1	1,317	
30	2	1,954	5	5,677	
31	2	6,013	6	10,980	
32			1	2,016	
33	1	2,954	4	9,008	
34	1	1,851	4	4,830	
35	3	3,700	3	3,994	
36	5	4,813	5	8,129	
37	3	3,614	6	8,986	
38	2	4,211	8	11,751	
39	1	1,305	5	7,826	
40	3	5,504	5	10,232	
41	2	2,117	7	6,904	
42	2	3,250	3	3,921	
43	2	5,597	12	23,497	
44	4	5,697	5	7,046	
45	7	7,170	7	11,148	
46	6	8,987	9	13,506	
47	6	11,051	9	11,170	
48	4	10,207	11	16,920	
49	3	2,813	5	10,119	
50	3	2,435	5	7,438	
51	2	2,787	8	9,890	
52	4	7,641	10	15,806	
53	3	2,742	5	6,779	
54			6	10,606	
55	3	2,755	7	11,602	

TABLE 5

**THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002**

**BENEFICIARIES OF DECEASED  
ACTIVE AND RETIRED MEMBERS  
OF THE RETIREMENT SYSTEM**

CONTINUED

AGE	NUMBER	MEN		WOMEN	
		AMOUNT	NUMBER	AMOUNT	NUMBER
56	9	\$ 15,885	5	\$ 11,894	
57	4	6,347	3	6,792	
58	3	3,438	10	16,594	
59			5	9,078	
60	1	1,362	6	9,030	
61	2	1,534	8	15,909	
62	2	3,485	7	15,374	
63	1	860	7	14,550	
64	4	5,298	4	8,599	
65	1	3,128	9	12,182	
66	1	3,007	7	18,899	
67	2	2,316	12	31,326	
68	1	1,348	15	35,347	
69	8	11,460	8	13,030	
70	1	1,696	7	15,697	
71			11	18,184	
72	2	2,419	13	23,611	
73	2	1,908	14	37,988	
74	6	10,005	14	25,971	
75	2	6,469	12	25,278	
76			14	32,222	
77	2	3,956	11	24,350	
78			11	30,623	
79			9	21,755	
80			12	30,206	
81			12	24,861	
82			5	12,108	
83	1	1,387	11	27,083	
84			6	15,641	
85	2	7,608	5	6,222	
86			7	14,218	
87	1	399	6	11,888	
88			8	15,398	
89			1	1,494	

TABLE 5

THE DISTRIBUTION OF THE NUMBER AND ANNUAL  
RETIREMENT ALLOWANCES OF RETIREES  
DISTRIBUTED BY AGE AS OF JUNE 30, 2002

BENEFICIARIES OF DECEASED  
ACTIVE AND RETIRED MEMBERS  
OF THE RETIREMENT SYSTEM

CONTINUED

AGE	NUMBER	MEN		WOMEN	
		NUMBER	AMOUNT	NUMBER	AMOUNT
90				1	\$ 821
91	2		\$ 1,976	18	24,838
92				1	2,751
93				1	1,973
TOTAL	148		\$ 234,964	494	\$ 937,348

SCHEDULE H  
 ALLOCATION OF  
 ANNUAL REQUIRED CONTRIBUTION BY SCHOOL SYSTEM  
 AS OF JUNE 30, 2002

SYSTEM NUMBER	SYSTEM NAME	CONTRIBUTION AMOUNT
1	APPLING	\$ 1,632
2	ATKINSON	1,120
3	BACON	1,486
4	BAKER	487
5	BALDWIN	4,725
6	BANKS	2,022
7	BARROW	6,065
8	BARTOW	8,257
9	BEN HILL	1,851
10	BERRIEN	2,022
11	BIBB	15,272
12	BLECKLEY	1,876
13	BRANTLEY	2,046
14	BROOKS	1,900
15	BRYAN	3,507
16	BULLOCH	6,820
17	BURKE	3,970
18	BUTTS	2,606
19	CALHOUN	682
20	CAMDEN	5,480
21	CANDLER	1,340
22	CARROLL	9,353
23	CATOOSA	6,284
24	CHARLTON	1,169
25	CHATHAM	13,299
26	CHATTAHOOCHEE	609
27	CHATTOOGA	1,900
28	CHEROKEE	16,027
29	CLARKE	10,766
30	CLAY	244
31	CLAYTON	28,985
32	CLINCH	974
33	COBB	54,195
34	COFFEE	5,042
35	COLQUITT	5,968
36	COLUMBIA	12,179
37	COOK	2,265
38	COWETA	0
39	CRAWFORD	1,364
40	CRISP	3,459
41	DADE	1,535
42	DAWSON	2,411
43	DECATUR	3,702
44	DEKALB	54,512
45	DODGE	2,582

ALLOCATION OF  
ANNUAL REQUIRED CONTRIBUTION BY SCHOOL SYSTEM  
AS OF JUNE 30, 2002

SYSTEM NUMBER	SYSTEM NAME	CONTRIBUTION AMOUNT
46	DOOLY	\$ 1,461
47	DOUGHERTY	14,444
48	DOUGLAS	11,156
49	EARLY	1,973
50	ECHOLS	512
51	EFFINGHAM	5,164
52	ELBERT	2,728
53	EMANUEL	3,507
54	EVANS	1,340
55	FANNIN	2,265
56	FAYETTE	12,130
57	FLOYD	5,310
58	FORSYTH	14,322
59	FRANKLIN	2,460
61	GILMER	2,558
62	GLASCOCK	609
63	GLYNN	7,624
64	GORDON	3,459
65	GRADY	2,655
66	GREENE	1,705
67	GWINNETT	58,117
68	HABERSHAM	3,483
69	HALL	13,835
70	HANCOCK	1,681
71	HARALSON	2,606
72	HARRIS	3,507
73	HART	2,704
74	HEARD	1,072
75	HENRY	14,785
76	HOUSTON	13,494
77	IRWIN	1,023
78	JACKSON	4,238
79	JASPER	1,218
80	JEFF DAVIS	1,754
81	JEFFERSON	2,558
82	JENKINS	1,145
83	JOHNSON	1,120
84	JONES	3,093
85	LAMAR	1,876
86	LANIER	828
87	LAURENS	3,775
88	LEE	3,386
89	LIBERTY	7,478
90	LINCOLN	1,388
91	LONG	1,632
92	LOWNDES	6,918

ALLOCATION OF  
ANNUAL REQUIRED CONTRIBUTION BY SCHOOL SYSTEM  
AS OF JUNE 30, 2002

SYSTEM NUMBER	SYSTEM NAME	CONTRIBUTION AMOUNT
93	LUMPKIN	\$ 2,290
94	MACON	2,095
95	MADISON	3,093
96	MARION	1,145
97	MCDUFFIE	2,655
98	MCINTOSH	1,340
99	MERIWETHER	3,337
100	MILLER	1,047
101	MITCHELL	1,900
102	MONROE	2,850
103	MONTGOMERY	901
104	MORGAN	1,802
105	MURRAY	4,189
106	MUSCOGEE	23,018
107	NEWTON	8,671
108	OCONEE	3,629
109	OGLETHORPE	1,267
110	PAULDING	11,326
111	PEACH	3,142
112	PICKENS	3,361
113	PIERCE	2,022
114	PIKE	1,973
115	POLK	3,946
116	PULASKI	1,145
117	PUTNAM	2,314
118	QUITMAN	195
119	RABUN	1,705
120	RANDOLPH	1,535
121	RICHMOND	23,724
122	ROCKDALE	9,962
123	SCHLEY	463
124	SCREVEN	2,192
125	SEMINOLE	1,096
126	SPALDING	8,282
127	STEPHENS	3,215
128	STEWART	682
129	SUMTER	4,116
130	TALBOT	585
131	TALIAFERRO	268
132	TATTNALL	2,509
133	TAYLOR	1,340
134	TELFAIR	1,194
135	TERRELL	1,194
136	THOMAS	2,655
137	TIFT	4,433
138	TOOMBS	\$ 1,900

ALLOCATION OF  
ANNUAL REQUIRED CONTRIBUTION BY SCHOOL SYSTEM  
AS OF JUNE 30, 2002

SYSTEM NUMBER	SYSTEM NAME	CONTRIBUTION AMOUNT
139	TOWNS	755
140	TREUTLEN	877
141	TROUP	9,158
142	TURNER	853
143	TWIGGS	1,632
144	UNION	1,632
145	UPSON	3,337
146	WALKER	6,674
147	WALTON	6,869
148	WARE	4,774
149	WARREN	706
150	WASHINGTON	2,192
151	WAYNE	4,043
152	WEBSTER	390
153	WHEELER	804
154	WHITE	2,070
155	WHITFIELD	7,843
156	WILCOX	901
157	WILKES	1,681
158	WILKINSON	1,364
159	WORTH	2,996
205	BREMEN	706
206	BUFORD	1,291
207	CALHOUN	1,413
209	CARROLLTON	2,363
210	CARTERSVILLE	1,656
212	CHICKAMAUGA	560
214	COMMERCE	706
216	DALTON	2,874
217	DECATUR	1,608
219	DUBLIN	1,437
221	GAINESVILLE	1,973
224	JEFFERSON	950
226	MARIETTA	4,920
230	PELHAM	682
232	ROME	1,729
247	SOCIAL CIRCLE	633
236	THOMASVILLE	1,656
239	TRION	682
240	VALDOSTA	4,725
241	VIDALIA	1,291
	TOTAL	\$ 833,196