











































**Method and assumptions used in calculations of actuarially determined contributions.** The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported (June 30, 2022 employer contributions are based on June 30, 2019 valuation). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	19.6 years
Asset valuation method	5-year smoothed fair value
Inflation	2.75 percent
Salary increase	N/A
Investment rate of return	7.30 percent, net of pension plan investment expense, including inflation
Post-Retirement Benefit Increases	1.50 percent, semi-annually



**SCHEDULE A**

**GEORGIA PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM**  
**Schedule of Employer Allocations as of June 30, 2022**

<b>Employers</b>	<b>2022 State Pension Support Provided To The Districts</b>	<b>Employer Allocation Percentage</b>
Appling County Schools	\$ 65,327	0.201062%
Atkinson County Schools	40,829	0.125664%
Bacon County Schools	39,809	0.122522%
Baker County Schools	9,187	0.028274%
Baldwin County Schools	102,073	0.314159%
Banks County Schools	65,327	0.201062%
Barrow County Schools	279,681	0.860796%
Bartow County Schools	292,951	0.901637%
Ben Hill County Schools	67,368	0.207345%
Berrien County Schools	56,141	0.172788%
Bibb County Schools	563,446	1.734159%
Bleckley County Schools	83,700	0.257611%
Brantley County Schools	87,783	0.270177%
Brooks County Schools	61,244	0.188495%
Bryan County Schools	206,188	0.634601%
Bulloch County Schools	240,893	0.741416%
Burke County Schools	131,675	0.405265%
Butts County Schools	85,742	0.263894%
Calhoun County Schools	19,394	0.059690%
Camden County Schools	195,981	0.603186%
Candler County Schools	39,809	0.122522%
Carroll County Schools	240,893	0.741416%
Catoosa County Board of Education	286,826	0.882787%
Charlton County Schools	35,726	0.109956%
Chatham County Schools	837,002	2.576105%
Chattahoochee County Schools	17,352	0.053407%
Chattooga County Schools	65,327	0.201062%
Cherokee County Schools	670,623	2.064026%
Clarke County Schools	380,734	1.171814%
Clay County Schools	12,249	0.037699%
Clayton County Schools	1,047,274	3.223272%
Clinch County Schools	25,518	0.078540%
Cobb County Schools	1,974,102	6.075837%
Coffee County Schools	136,778	0.420973%
Colquitt County Schools	177,608	0.546637%
Columbia County Schools	595,088	1.831548%
Cook County Schools	80,638	0.248186%
Coweta County Schools	584,881	1.800132%



Employers	2022 State Pension Support Provided To The Districts	Employer Allocation Percentage
Crawford County Schools	\$ 50,016	0.153938%
Crisp County Schools	95,949	0.295310%
Dade County Schools	44,912	0.138230%
Dawson County Schools	93,907	0.289026%
Decatur County Schools	139,841	0.430398%
Dekalb County Schools	1,924,085	5.921899%
Dodge County Schools	71,451	0.219911%
Dooly County Schools	43,891	0.135088%
Dougherty County Schools	355,216	1.093274%
Douglas County Schools	414,418	1.275486%
Early County Schools	47,975	0.147655%
Echols County Schools	10,207	0.031416%
Effingham County Schools	225,582	0.694292%
Elbert County Schools	69,410	0.213628%
Emanuel County Schools	96,970	0.298451%
Evans County Schools	37,767	0.116239%
Fannin County Schools	83,700	0.257611%
Fayette County Schools	348,071	1.071283%
Floyd County Schools	140,861	0.433540%
Forsyth County Schools	974,801	3.000220%
Franklin County Schools	81,659	0.251327%
Gilmer County Schools	104,115	0.320442%
Glascocock County Schools	18,373	0.056549%
Glynn County Schools	330,718	1.017876%
Gordon County Schools	111,260	0.342433%
Grady County Schools	66,348	0.204203%
Greene County Schools	50,016	0.153938%
Gwinnett County Schools	3,421,504	10.530614%
Habersham County Schools	208,230	0.640885%
Hall County Schools	451,165	1.388583%
Hancock County Schools	39,809	0.122522%
Haralson County Schools	55,120	0.169646%
Harris County Schools	119,426	0.367566%
Hart County Schools	111,260	0.342433%
Heard County Schools	42,871	0.131947%
Henry County Schools	472,600	1.454557%
Houston County Schools	851,292	2.620087%
Irwin County Schools	20,415	0.062832%
Jackson County Schools	230,686	0.710000%
Jasper County Schools	68,389	0.210487%
Jeff Davis County Schools	92,887	0.285885%
Jefferson County Schools	72,472	0.223053%



Employers	2022 State Pension Support Provided To The Districts	Employer Allocation Percentage
Jenkins County Schools	\$ 27,560	0.084823%
Johnson County Schools	29,601	0.091106%
Jones County Schools	130,654	0.402124%
Lamar County Schools	53,078	0.163363%
Lanier County Schools	34,705	0.106814%
Laurens County Schools	161,276	0.496371%
Lee County Schools	144,944	0.446106%
Liberty County Schools	261,308	0.804247%
Lincoln County Schools	48,995	0.150796%
Long County Schools	89,825	0.276460%
Lowndes County Schools	240,893	0.741416%
Lumpkin County Schools	95,949	0.295310%
Macon County Schools	39,809	0.122522%
Madison County Schools	105,136	0.323584%
Marion County Schools	42,871	0.131947%
Mcduffie County Schools	101,053	0.311018%
Mcintosh County Schools	31,643	0.097389%
Meriwether County Schools	82,680	0.254469%
Miller County Schools	26,539	0.081681%
Mitchell County Schools	45,933	0.141372%
Monroe County Schools	142,903	0.439823%
Montgomery County Schools	29,601	0.091106%
Morgan County Schools	74,514	0.229336%
Murray County Schools	103,094	0.317301%
Muscogee County Schools	625,710	1.925796%
Newton County Schools	401,149	1.234645%
Oconee County Schools	160,255	0.493230%
Oglethorpe County Schools	61,244	0.188495%
Paulding County Schools	506,284	1.558229%
Peach County Schools	95,949	0.295310%
Pickens County Schools	89,825	0.276460%
Pierce County Schools	78,597	0.241903%
Pike County Schools	52,057	0.160221%
Polk County Schools	118,405	0.364425%
Pulaski County Schools	36,746	0.113097%
Putnam County Schools	94,928	0.292168%
Quitman County Schools	10,207	0.031416%
Rabun County Schools	72,472	0.223053%
Randolph County Schools	23,477	0.072257%
Richmond County Schools	700,224	2.155132%
Rockdale County Schools	376,651	1.159247%
Schley County Schools	21,435	0.065973%



Employers	2022 State Pension Support Provided To The Districts	Employer Allocation Percentage
Screven County Schools	\$ 50,016	0.153938%
Seminole County Schools	29,601	0.091106%
Spalding County Schools	248,039	0.763407%
Stephens County Schools	96,970	0.298451%
Stewart County Schools	9,187	0.028274%
Sumter County Schools	137,799	0.424115%
Talbot County Schools	18,373	0.056549%
Taliaferro County Schools	7,145	0.021991%
Tattnall County Schools	86,762	0.267035%
Taylor County Schools	38,788	0.119380%
Telfair County Schools	43,891	0.135088%
Terrell County Schools	54,099	0.166504%
Thomas County Schools	141,882	0.436681%
Tift County Schools	85,742	0.263894%
Toombs County Schools	53,078	0.163363%
Towns County Schools	38,788	0.119380%
Treutlen County Schools	20,415	0.062832%
Troup County Schools	364,402	1.121548%
Turner County Schools	29,601	0.091106%
Twiggs County Schools	21,435	0.065973%
Union County Schools	76,555	0.235619%
Upson County Schools	145,965	0.449248%
Walker County Schools	245,997	0.757124%
Walton County Schools	333,780	1.027300%
Ware County Schools	137,799	0.424115%
Warren County Schools	17,352	0.053407%
Washington County Board of Education	47,975	0.147655%
Wayne County Schools	124,530	0.383274%
Webster County Schools	3,062	0.009425%
Wheeler County Schools	30,622	0.094248%
White County Board of Education	70,431	0.216770%
Whitfield County Schools	175,566	0.540354%
Wilcox County Schools	33,684	0.103673%
Wilkes County Schools	66,348	0.204203%
Wilkinson County Schools	37,767	0.116239%
Worth County Schools	63,286	0.194779%
City of Bremen Schools (Haralson)	16,332	0.050265%
City of Buford Schools (Gwinnett)	108,198	0.333009%
City of Calhoun Schools (Gordon)	33,684	0.103673%
City of Carrollton Schools (Carroll)	103,094	0.317301%
City of Cartersville Schools (Bartow)	52,057	0.160221%
City of Chickamauga Schools (West)	24,498	0.075398%





<b>Employers</b>	<b>2022 State Pension Support Provided To The Districts</b>	<b>Employer Allocation Percentage</b>
City of Commerce Schools (Jackson)	\$ 23,477	0.072257%
City of Dalton Schools (Whitfield)	68,389	0.210487%
City of Decatur Schools (DeKalb)	113,302	0.348717%
City of Dublin Schools (Laurens)	48,995	0.150796%
City of Gainesville Schools (Hall)	112,281	0.345575%
City of Jefferson Schools (Jackson)	51,037	0.157080%
City of Marietta Schools (Cobb)	101,053	0.311018%
City of Pelham Schools (Mitchell)	22,456	0.069115%
City of Rome Schools (Floyd)	131,675	0.405265%
City of Social Circle Schools (Walton)	30,622	0.094248%
City of Thomasville Schools (Thomas)	28,581	0.087965%
City of Trion Schools (Chattooga)	20,415	0.062832%
City of Valdosta Schools (Lowndes)	172,504	0.530929%
City of Vidalia Schools (Toomb)	43,891	0.135088%
Scintilla Charter Academy	2,041	0.006283%
Southwest Georgia Stem Charter School	3,062	0.009425%
School for Arts Infused Learning	4,083	0.012566%
Furlow Charter School	8,166	0.025133%
Georgia Magnet Charter School	2,041	0.006283%
Georgia Military College	62,265	0.191637%
Kipp Metro Atlanta Collaborative Inc	51,037	0.157080%
The Globe Academy	<u>2,041</u>	<u>0.006283%</u>
Total State of Georgia	\$ <u>32,491,000</u>	<u>100.000000%</u>



**SCHEDULE B**

**GEORGIA PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
Schedule of Pension Amounts by Employer as of June 30, 2022**

Employers	State's Proportionate Share Of the Net Pension Liability (Asset) Associated with the District	Employer Pension Expense and Revenue for State Support
Appling County Schools	\$ 477,309	\$ 119,948
Atkinson County Schools	298,319	74,967
Bacon County Schools	290,860	73,093
Baker County Schools	67,121	16,867
Baldwin County Schools	745,795	187,418
Banks County Schools	477,309	119,948
Barrow County Schools	2,043,478	513,525
Bartow County Schools	2,140,432	537,890
Ben Hill County Schools	492,225	123,696
Berrien County Schools	410,188	103,080
Bibb County Schools	4,116,789	1,034,547
Bleckley County Schools	611,553	153,683
Brantley County Schools	641,384	161,179
Brooks County Schools	447,476	112,450
Bryan County Schools	1,506,505	378,584
Bulloch County Schools	1,760,077	442,307
Burke County Schools	962,075	241,769
Butts County Schools	626,469	157,431
Calhoun County Schools	141,700	35,609
Camden County Schools	1,431,927	359,843
Candler County Schools	290,860	73,093
Carroll County Schools	1,760,077	442,307
Catoosa County Board of Education	2,095,683	526,644
Charlton County Schools	261,029	65,596
Chatham County Schools	6,115,519	1,536,827
Chattahoochee County Schools	126,785	31,861
Chattooga County Schools	477,309	119,948
Cherokee County Schools	4,899,874	1,231,336
Clarke County Schools	2,781,816	699,069
Clay County Schools	89,495	22,490
Clayton County Schools	7,651,855	1,922,908
Clinch County Schools	186,449	46,855
Cobb County Schools	14,423,673	3,624,663
Coffee County Schools	999,365	251,140
Colquitt County Schools	1,297,683	326,107
Columbia County Schools	4,347,985	1,092,647
Cook County Schools	589,179	148,060
Coweta County Schools	4,273,405	1,073,905



Employers	State's Proportionate Share Of the Net Pension Liability (Asset) Associated with the District		Employer Pension Expense and Revenue for State Support
Crawford County Schools	\$	365,440	\$ 91,835
Crisp County Schools		701,048	176,173
Dade County Schools		328,150	82,464
Dawson County Schools		686,130	172,424
Decatur County Schools		1,021,739	256,763
Dekalb County Schools		14,058,234	3,532,828
Dodge County Schools		522,056	131,192
Dooly County Schools		320,691	80,589
Dougherty County Schools		2,595,367	652,214
Douglas County Schools		3,027,927	760,917
Early County Schools		350,524	88,087
Echols County Schools		74,580	18,742
Effingham County Schools		1,648,208	414,194
Elbert County Schools		507,140	127,444
Emanuel County Schools		708,505	178,047
Evans County Schools		275,944	69,345
Fannin County Schools		611,553	153,683
Fayette County Schools		2,543,162	639,095
Floyd County Schools		1,029,198	258,637
Forsyth County Schools		7,122,342	1,789,841
Franklin County Schools		596,635	149,934
Gilmer County Schools		760,710	191,166
Glascock County Schools		134,244	33,735
Glynn County Schools		2,416,377	607,234
Gordon County Schools		812,915	204,285
Grady County Schools		484,766	121,821
Greene County Schools		365,440	91,835
Gwinnett County Schools		24,999,047	6,282,250
Habersham County Schools		1,521,423	382,333
Hall County Schools		3,296,413	828,387
Hancock County Schools		290,860	73,093
Haralson County Schools		402,729	101,206
Harris County Schools		872,580	219,279
Hart County Schools		812,915	204,285
Heard County Schools		313,234	78,716
Henry County Schools		3,453,031	867,745
Houston County Schools		6,219,929	1,563,065
Irwin County Schools		149,159	37,484
Jackson County Schools		1,685,497	423,565
Jasper County Schools		499,684	125,570
Jeff Davis County Schools		678,674	170,550
Jefferson County Schools		529,514	133,067



Employers	State's Proportionate Share Of the Net Pension Liability (Asset) Associated with the District		Employer Pension Expense and Revenue for State Support
Jenkins County Schools	\$	201,365	\$ 50,603
Johnson County Schools		216,280	54,351
Jones County Schools		954,618	239,895
Lamar County Schools		387,814	97,457
Lanier County Schools		253,570	63,722
Laurens County Schools		1,178,355	296,120
Lee County Schools		1,059,029	266,133
Liberty County Schools		1,909,234	479,790
Lincoln County Schools		357,981	89,960
Long County Schools		656,299	164,928
Lowndes County Schools		1,760,077	442,307
Lumpkin County Schools		701,048	176,173
Macon County Schools		290,860	73,093
Madison County Schools		768,169	193,041
Marion County Schools		313,234	78,716
Mcduffie County Schools		738,338	185,544
Mcintosh County Schools		231,196	58,099
Meriwether County Schools		604,094	151,809
Miller County Schools		193,906	48,728
Mitchell County Schools		335,609	84,338
Monroe County Schools		1,044,113	262,385
Montgomery County Schools		216,280	54,351
Morgan County Schools		544,430	136,815
Murray County Schools		753,254	189,292
Muscogee County Schools		4,571,724	1,148,872
Newton County Schools		2,930,973	736,552
Oconee County Schools		1,170,898	294,246
Oglethorpe County Schools		447,476	112,450
Paulding County Schools		3,699,142	929,593
Peach County Schools		701,048	176,173
Pickens County Schools		656,299	164,928
Pierce County Schools		574,263	144,312
Pike County Schools		380,355	95,583
Polk County Schools		865,123	217,405
Pulaski County Schools		268,485	67,470
Putnam County Schools		693,589	174,299
Quitman County Schools		74,580	18,742
Rabun County Schools		529,514	133,067
Randolph County Schools		171,534	43,106
Richmond County Schools		5,116,154	1,285,687
Rockdale County Schools		2,751,983	691,572
Schley County Schools		156,616	39,358



Employers	State's Proportionate Share Of the Net Pension Liability (Asset) Associated with the District		Employer Pension Expense and Revenue for State Support
Screven County Schools	\$	365,440	\$ 91,835
Seminole County Schools		216,280	54,351
Spalding County Schools		1,812,282	455,426
Stephens County Schools		708,505	178,047
Stewart County Schools		67,121	16,867
Sumter County Schools		1,006,824	253,014
Talbot County Schools		134,244	33,735
Taliaferro County Schools		52,205	13,119
Tattnall County Schools		633,925	159,305
Taylor County Schools		283,401	71,219
Telfair County Schools		320,691	80,589
Terrell County Schools		395,271	99,331
Thomas County Schools		1,036,654	260,511
Tift County Schools		626,469	157,431
Toombs County Schools		387,814	97,457
Towns County Schools		283,401	71,219
Treutlen County Schools		149,159	37,484
Troup County Schools		2,662,488	669,082
Turner County Schools		216,280	54,351
Twiggs County Schools		156,616	39,358
Union County Schools		559,345	140,563
Upson County Schools		1,066,488	268,008
Walker County Schools		1,797,367	451,677
Walton County Schools		2,438,749	612,856
Ware County Schools		1,006,824	253,014
Warren County Schools		126,785	31,861
Washington County Board of Education		350,524	88,087
Wayne County Schools		909,869	228,650
Webster County Schools		22,374	5,623
Wheeler County Schools		223,739	56,226
White County Board of Education		514,599	129,318
Whitfield County Schools		1,282,768	322,359
Wilcox County Schools		246,113	61,848
Wilkes County Schools		484,766	121,821
Wilkinson County Schools		275,944	69,345
Worth County Schools		462,394	116,199
City of Bremen Schools (Haralson)		119,326	29,987
City of Buford Schools (Gwinnett)		790,543	198,663
City of Calhoun Schools (Gordon)		246,113	61,848
City of Carrollton Schools (Carroll)		753,254	189,292
City of Cartersville Schools (Bartow)		380,355	95,583
City of Chickamauga Schools (West)		178,990	44,980



Employers	State's Proportionate Share Of the Net Pension Liability (Asset) Associated with the District		Employer Pension Expense and Revenue for State Support	
City of Commerce Schools (Jackson)	\$	171,534	\$	43,106
City of Dalton Schools (Whitfield)		499,684		125,570
City of Decatur Schools (DeKalb)		827,833		208,034
City of Dublin Schools (Laurens)		357,981		89,960
City of Gainesville Schools (Hall)		820,374		206,160
City of Jefferson Schools (Jackson)		372,898		93,709
City of Marietta Schools (Cobb)		738,338		185,544
City of Pelham Schools (Mitchell)		164,075		41,232
City of Rome Schools (Floyd)		962,075		241,769
City of Social Circle Schools (Walton)		223,739		56,226
City of Thomasville Schools (Thomas)		208,824		52,477
City of Trion Schools (Chattooga)		149,159		37,484
City of Valdosta Schools (Lowndes)		1,260,394		316,736
City of Vidalia Schools (Toomb)		320,691		80,589
Scintilla Charter Academy		14,915		3,748
Southwest Georgia Stem Charter School		22,374		5,623
School for Arts Infused Learning		29,831		7,496
Furlow Charter School		59,664		14,994
Georgia Magnet Charter School		14,915		3,748
Georgia Military College		454,935		114,325
Kipp Metro Atlanta Collaborative Inc		372,898		93,709
The Globe Academy		<u>14,915</u>		<u>3,748</u>
Total State of Georgia	\$	<u>237,394,000</u>	\$	<u>59,657,000</u>



## **SCHEDULE C**

### **SUMMARY OF MAIN PLAN PROVISIONS**

The Georgia Public School Employees Retirement System (PSERS) is a cost-sharing multiple employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances and other benefits for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia.

#### Normal Retirement Benefit

Eligibility	Age 65 and 10 years of creditable service.
Benefit	Monthly benefit is \$15.00 multiplied by years of creditable service for members retiring before August 1, 2012 and \$15.75 multiplied by years of creditable service for members retiring on or after August 1, 2012. For members with retirement dates prior to July 1, 2013, a one-time 1.75% increase is made at time of retirement.

#### 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 creditable service.
Benefit	Accrued benefit payable immediately.

#### Deferred Vested Retirement Benefit

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

#### Death Benefit

Eligibility	Death in service and the member is at least age 60 and has at least 10 years of creditable service.
Benefit	Benefit payable to beneficiary under the joint and survivor annuity payment option.

If the member dies in service under age 60 or with less than 10 years of creditable service his beneficiary receives a refund of the member's accumulated contributions.



Termination Benefit

- Eligibility Less than 10 years of creditable service.
- Benefit Return of the member's accumulated contributions.
- Payment Options
- (1) Life annuity. Guaranteed payment of accumulated member contributions.
  - (2) Joint and survivorship annuity.
  - (3) Certain and life annuity.

Post-Retirement Adjustments

The Board may from time to time grant a Cost of Living Adjustment.

Contributions

- By Members Members who joined the System prior to July 1, 2012 contribute \$4 per month. Members joining the System on or after July 1, 2012 contribute \$10 per month.
- By Employers Employer contributions are actuarially determined and approved and certified by the Board.





**SCHEDULE D**

**STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS**

**Actuarial assumptions and methods adopted by the Board on December 17, 2020. Valuation interest rate based on the long-term assumed investment rate of return as adopted by the Board.**

**VALUATION INTEREST RATE:** 7.00% per annum, compounded annually, net of investment expenses, composed of a 2.50% inflation assumption and a 4.50% real rate of investment return assumption.

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

Annual Rates of Withdrawal				
Age	Years of Service			Disability
	<u>0-4</u>	<u>5-9</u>	<u>10 &amp; Over</u>	
	<u>Males</u>			<u>Males</u>
20	34.00%			0.0000%
25	31.00	19.00%		0.0000
30	27.50	17.00	12.50%	0.0000
35	24.50	15.50	9.00	0.0018
40	22.00	13.50	8.25	0.0110
45	21.00	12.50	7.00	0.0330
50	18.50	11.00	7.00	0.0770
55	15.25	9.00	6.00	0.2250
60	13.50	9.00		0.2500
<u>Females</u>			<u>Females</u>	
20	35.00%			0.0000%
25	31.00	20.00%		0.0000
30	25.00	16.50	10.00%	0.0000
35	22.00	15.00	10.00	0.0018
40	20.00	14.00	9.00	0.0110
45	18.00	12.00	8.00	0.0330
50	16.25	10.00	7.00	0.0770
55	13.50	9.00	6.00	0.2250
60	13.00	9.00		0.2500



**RETIREMENT:** Representative values of the assumed annual rates of retirement are as follows:

Age	Annual Rate	Age	Annual Rate
60	12.0%	71	25.0%
61	12.0	72	25.0
62	21.0	73	25.0
63	17.0	74	25.0
64	15.0	75	25.0
65	26.0	76	25.0
66	26.0	77	25.0
67	22.0	78	25.0
68	22.0	79	25.0
69	23.5	80 & Over	100.0
70	25.0		

**RATES OF DEATH BEFORE RETIREMENT:** The Pub-2010 Below-Median General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service. Representative values of the assumed annual rates of mortality while in active service are as follows:

Annual Rates of Death*					
Age	Males	Females	Age	Males	Females
20	0.0410%	0.0130%	45	0.1430%	0.0720%
25	0.0410	0.0120	50	0.2180	0.1070
30	0.0520	0.0190	55	0.3200	0.1570
35	0.0680	0.0300	60	0.4660	0.2380
40	0.0960	0.0470	65	0.6820	0.3800

\*Base mortality rates as of 2010 before application of the improvement scale



**RATES OF DEATHS AFTER RETIREMENT:** The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Service Retirees	General Healthy Below-Median Annuitant	Male: +2; Female: +2	Male: 101%; Female: 103%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Below-Median Contingent Survivors	Male: +2; Female: +2	Male: 104%; Female: 99%

Representative values of the assumed annual rates of mortality after retirement are as follows:

Annual Rates of Death*						
Age	Service Retirement		Disability Retirement		Beneficiaries	
	Males	Females	Males	Females	Males	Females
50	0.7989%	0.4532%	1.2576%	1.5720%	0.9984%	0.5930%
55	0.9837	0.5037	1.8725	1.8465	1.1523	0.7742
60	1.1726	0.6015	2.3484	2.0734	1.4258	1.0237
65	1.5736	0.8827	2.7573	2.3914	1.9978	1.4147
70	2.5785	1.5296	3.4536	3.0337	3.0680	2.0731
75	4.3329	2.6770	4.4743	4.2432	4.7414	3.1878
80	7.4043	4.7679	6.0986	6.3674	7.3944	5.1450
85	12.4301	8.7849	8.8220	9.8909	11.8154	8.7684
90	19.3173	15.3594	12.9831	14.4849	19.0320	14.3778

\*Base mortality rates as of 2010 before application of the improvement scale

**ADMINISTRATIVE EXPENSES:** Administrative expenses equal to \$1,400,000 are added to the normal cost contribution.

**AMORTIZATION METHOD:** Level dollar amortization.



**ASSET METHOD:** Fair Value.

**VALUATION METHOD:** Entry age normal cost method.

**COST-OF-LIVING ADJUSTMENT (COLA):** 1.50% semi-annually.

**TERMINATING VESTED MEMBERS:** 25% of active vested members who terminate are assumed to elect a refund in lieu of a benefit. Benefits are assumed to begin at age 65.



## SCHEDULE E

### **Funding Policy of the PSERS Board of Trustees**

The purpose of this Funding Policy is to state the overall objectives for the Public School Employees Retirement System (System), the benchmarks that will be used to measure progress in achieving those goals, and the methods and assumptions that will be employed to develop the benchmarks. It is the intent of the PSERS Board of Trustees that the Funding Policy outlined herein will remain unchanged until the objectives below are met.

#### **I. Funding Objectives**

The goal in requiring employer and member contributions to the System is to accumulate sufficient assets during a member's employment to fully finance the benefits the member is expected to receive throughout retirement. In meeting this objective, the System will strive to meet the following funding objectives:

- To develop a pattern of contributions expressed as both a total dollar amount and as a dollar amount per active member and measured by valuations prepared in accordance with applicable State laws and the principles of practice prescribed by the Actuarial Standards Board.
- To maintain an increasing funded ratio (ratio of actuarial value of assets to actuarial accrued liabilities) that reflects a trend of improved actuarial condition. The long-term objective is to obtain a 100% funded ratio over a reasonable period of future years.
- To maintain adequate asset levels to finance the benefits promised to members and monitor the future demand for liquidity.
- To promote intergenerational equity for taxpayers with respect to contributions required for the benefits provided by the System.

#### **II. Measures of Funding Progress**

To track progress in achieving the System's funding objectives, the following measures will be determined annually as of the actuarial valuation date (with due recognition that a single year's results may not be indicative of long-term trends):

- **Funded ratio** – The funded ratio, defined as the actuarial value of assets divided by the actuarial accrued liability, should increase over time, before adjustments for changes in benefits, actuarial methods, and/or actuarial adjustments. The target funded ratio will be 100 percent within 25 years of the valuation date for the first valuation conducted following the adoption of this Policy (i.e. the June 30, 2013 valuation date).
- **Unfunded Actuarial Accrued Liability (UAAL)**
  - **Transitional UAAL** – The UAAL established as of the initial valuation date for which this funding policy is adopted shall be known as the Transitional UAAL.
  - **New Incremental UAAL** – Each subsequent valuation will produce a New Incremental UAAL consisting of all benefit changes, assumption and method changes and experience gains and/or losses that have occurred since the previous valuations.



- **UAAL Amortization Period**
  - The transitional UAAL will be amortized over a closed 25-year period beginning on the initial valuation date for which this funding policy is adopted.
  - Each New Incremental UAAL shall be amortized over a closed 25-year period beginning with the year it is incurred.
  - Effective with the June 30, 2020 valuation date, any New Incremental UAAL which is attributable to the granting of any post-retirement benefit adjustment (PRBA), including COLAs and one-time (non-compounded) payments, shall be amortized over a closed 15-year period. The amortization period shall begin with the year such PRBA is granted by the Board.
- **Employer Contributions**
  - **Employer Normal Contributions** – the contribution determined as of the valuation date each year to fund the employer portion of the annual normal cost of the System based on the assumptions and methods adopted by the Board.
  - In each valuation subsequent to the adoption of this funding policy the required employer contributions will be determined as the summation of the employer Normal Contribution, a contribution for administrative expenses, the amortization cost for the Transitional UAAL and the individual amortization cost for each of the New Incremental UAAL bases.
  - Employer Contributions will be expressed as both a total dollar amount and as a dollar amount per active member. In no event shall the employer contributions be less than \$0.
  - The valuation methodology, including the amortization of the Unfunded Actuarial Accrued Liability (UAAL), would be expected to maintain reasonably stable contributions as a dollar per active member.

### III. Methods and Assumptions

The annual actuarial valuations providing the measures to assess funding progress will utilize the actuarial methods and assumptions last adopted by the Board based upon the advice and recommendations of the actuary. These include the following primary methods and assumptions:

- The actuarial cost method used to develop the benchmarks will be the Entry Age Normal (EAN) actuarial cost method.
- The long-term annual investment rate of return assumption will be:
  - Effective with the June 30, 2013 valuation date, 7.50% net of investment expenses.
  - Effective with the June 30, 2017 valuation date, reduced by 0.10% (10 basis points) from the immediate prior actuarial valuation, as long as the following conditions are met:
    - The actual rate of return for the fiscal year ending with the current valuation date exceeds the assumed rate of return from the immediate prior actuarial valuation, and
    - The assumed rate of return does not decrease below 7.00% net of investment expenses.
- The actuarial value of assets will be determined by recognizing the annual differences between actual and expected market value of assets over a five-year period, beginning with the June 30, 2013 actuarial valuation.
  - Prior to the June 30, 2013 valuation, the differences between actual and expected market value of assets were recognized over a seven-year period. For the June 30, 2013 valuation, all then-current deferred gains and losses will be recognized immediately, and the initial new five-year period will begin immediately thereafter.



The employer contributions determined in an annual actuarial valuation will be at least sufficient to satisfy the annual normal cost of the System and amortize the UAAL as a level dollar amount over a period not to exceed 25 years (for the UAAL as of the June 30, 2013 valuation date, and for each successive year of gains and losses incurred in years following the June 30, 2013 valuation date). However, in no event shall the employer contributions be less than \$0.

The actuary shall conduct an investigation into the System's experience at least every five years and utilize the results of the investigation to form the basis for recommended assumptions and methods. Any changes to the recommended assumptions and methods that are approved by the Board will be reflected in this Policy.

#### **IV. Funding Policy Progress**

The Board will periodically have actuarial projections of the valuation results performed to assess the current and expected future progress towards the overall funding goals of the System. These periodic projections will provide the expected valuation results over at least a 30-year period. The projected measures of funding progress and the recent historical trend provided in valuations will provide important information for the Board's assessment of the System's funding progress.

Adopted: December 17, 2020