

Employers	State's Proportionate Share Of the Net Pension Liability Associated with the District		Employer Pension Expense and Revenue for State Support
Jefferson County Schools	\$	481,214	\$ 78,889
Jenkins County Schools		194,648	31,910
Johnson County Schools		173,021	28,365
Jones County Schools		838,069	137,391
Lamar County Schools		362,262	59,388
Lanier County Schools		178,428	29,251
Laurens County Schools		951,615	156,005
Lee County Schools		946,208	155,119
Liberty County Schools		1,584,221	259,713
Lincoln County Schools		237,903	39,001
Long County Schools		437,959	71,798
Lowndes County Schools		1,557,188	255,281
Lumpkin County Schools		578,538	94,844
Macon County Schools		313,600	51,411
Madison County Schools		421,739	69,139
Marion County Schools		162,208	26,592
Mcduffie County Schools		594,760	97,503
Mcintosh County Schools		297,380	48,752
Meriwether County Schools		583,945	95,730
Miller County Schools		183,834	30,137
Mitchell County Schools		275,751	45,206
Monroe County Schools		854,291	140,050
Montgomery County Schools		118,952	19,501
Morgan County Schools		405,517	66,479
Murray County Schools		697,490	114,345
Muscogee County Schools		4,071,396	667,454
Newton County Schools		2,546,650	417,491
Oconee County Schools		946,208	155,119
Oglethorpe County Schools		367,668	60,275
Paulding County Schools		2,579,092	422,810
Peach County Schools		297,380	48,752
Pickens County Schools		535,283	87,753
Pierce County Schools		410,924	67,366
Pike County Schools		416,332	68,252
Polk County Schools		762,372	124,981
Pulaski County Schools		210,869	34,569
Putnam County Schools		529,876	86,867
Quitman County Schools		59,475	9,750
Rabun County Schools		400,110	65,593
Randolph County Schools		194,648	31,910
Richmond County Schools		4,330,927	710,001
Rockdale County Schools		1,946,485	319,102



Employers	State's Proportionate Share Of the Net Pension Liability Associated with the District		Employer Pension Expense and Revenue for State Support
Schley County Schools	\$	118,952	\$ 19,501
Screven County Schools		367,668	60,275
Seminole County Schools		237,903	39,001
Spalding County Schools		1,654,512	271,236
Stephens County Schools		627,200	102,822
Stewart County Schools		108,137	17,728
Sumter County Schools		811,036	132,959
Talbot County Schools		102,730	16,841
Taliaferro County Schools		54,069	8,864
Tattnall County Schools		481,214	78,889
Taylor County Schools		227,089	37,228
Telfair County Schools		221,683	36,342
Terrell County Schools		227,089	37,228
Thomas County Schools		692,084	113,458
Tift County Schools		670,455	109,913
Toombs County Schools		335,228	54,957
Towns County Schools		200,056	32,797
Treutlen County Schools		113,546	18,614
Troup County Schools		2,027,587	332,397
Turner County Schools		129,766	21,273
Twiggs County Schools		129,766	21,273
Union County Schools		410,924	67,366
Upson County Schools		773,187	126,754
Walker County Schools		1,568,001	257,054
Walton County Schools		1,768,056	289,851
Ware County Schools		827,256	135,618
Warren County Schools		102,730	16,841
Washington County Board of Education		373,077	61,161
Wayne County Schools		843,476	138,277
Webster County Schools		32,442	5,318
Wheeler County Schools		124,359	20,387
White County Board of Education		448,772	73,571
Whitfield County Schools		1,286,842	210,962
Wilcox County Schools		178,428	29,251
Wilkes County Schools		313,600	51,411
Wilkinson County Schools		270,345	44,320
Worth County Schools		389,297	63,820
City of Bremen Schools (Haralson)		86,510	14,182
City of Buford Schools (Gwinnett)		405,517	66,479
City of Calhoun Schools (Gordon)		216,276	35,456
City of Carrollton Schools (Carroll)		459,587	75,344
City of Cartersville Schools (Bartow)		281,158	46,092



Employers	State's Proportionate Share Of the Net Pension Liability Associated with the District		Employer Pension Expense and Revenue for State Support	
City of Chickamauga Schools (West)	\$	124,359	\$	20,387
City of Commerce Schools (Jackson)		113,546		18,614
City of Dalton Schools (Whitfield)		670,455		109,913
City of Decatur Schools (DeKalb)		513,656		84,207
City of Dublin Schools (Laurens)		324,413		53,183
City of Gainesville Schools (Hall)		605,573		99,276
City of Jefferson Schools (Jackson)		281,158		46,092
City of Marietta Schools (Cobb)		638,015		104,595
City of Pelham Schools (Mitchell)		162,208		26,592
City of Rome Schools (Floyd)		486,621		79,775
City of Social Circle Schools (Walton)		140,579		23,046
City of Thomasville Schools (Thomas)		156,801		25,706
City of Trion Schools (Chattooga)		102,730		16,841
City of Valdosta Schools (Lowndes)		1,189,518		195,007
City of Vidalia Schools (Toomb)		221,683		36,342
Furlow Charter School		5,407		886
Georgia Magnet Charter School		21,627		3,545
Georgia Military College		373,077		61,161
Kipp Metro Atlanta Collaborative Inc		<u>200,056</u>		<u>32,797</u>
Total State of Georgia	\$	<u>188,517,000</u>	\$	<u>30,905,000</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 \$14.75 multiplied by years of creditable service. 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

Adopted by the Board December 17, 2015.

VALUATION INTEREST RATE: 7.50% per annum, compounded annually, net of investment expenses, composed of a 2.75% inflation assumption and a 4.75% 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:

Age	Annual Rates of Withdrawal		
	Years of Service		
	<u>0-4</u>	<u>5-9</u>	<u>10 & Over</u>
	<u>Males</u>		
20	37.0%		
25	28.0	17.0%	
30	25.0	15.0	12.0%
35	23.0	13.0	9.0
40	21.0	12.0	7.5
45	19.0	11.0	6.5
50	17.0	9.0	6.5
55	15.0	9.0	6.0
60	12.0	7.5	
	<u>Females</u>		
20	32.0%		
25	28.0	18.0%	
30	23.0	15.0	10.0%
35	19.0	13.0	10.0
40	17.0	12.0	8.0
45	15.5	10.0	7.0
50	14.0	8.5	6.0
55	12.0	8.0	5.5
60	11.0	7.5	

Age	Annual Rates of		Disability
	Death		
	<u>Males</u>	<u>Females</u>	
20	0.0320%	0.0177%	0.0000%
25	0.0349	0.0192	0.0000
30	0.0412	0.0245	0.0000
35	0.0717	0.0441	0.0025
40	0.1001	0.0655	0.0110
45	0.1399	0.1043	0.0370
50	0.1983	0.1555	0.0865
55	0.2810	0.2228	0.2250
60	0.4092	0.3058	0.3500
65	0.5600	0.4304	0.0000



RETIREMENT:

Age	Annual Rate	Age	Annual Rate
60	13.0%	68	23.0%
61	13.0	69	26.0
62	22.0	70	27.0
63	17.5	71	27.0
64	17.0	72	27.0
65	28.0	73	27.0
66	27.0	74	27.0
67	23.0	75 & Over	100.0

DEATHS AFTER RETIREMENT: The RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward 5 years for both males and females) is used for the period after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9-11% less than the actual number of deaths that occurred during the study period for healthy retirees and 9-11% less than expected under the selected table for disabled retirees. Representative values of the assumed annual rates of mortality for service retirements and beneficiaries are as follows:

Age	Men	Women	Age	Men	Women
40	0.1476%	0.0995%	65	1.4859%	0.9774%
45	0.1974	0.1484	70	2.4262	1.7054
50	0.3057	0.2084	75	3.9830	2.7288
55	0.5644	0.2844	80	6.5238	4.4542
60	0.9575	0.5014	85	10.9551	7.5727

ADMINISTRATIVE EXPENSES: Budgeted administrative expenses are added to the normal cost contribution.

AMORTIZATION METHOD: Level dollar amortization.

ASSET METHOD: Market value.

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

COST-OF-LIVING ADJUSTMENT (COLA): 1.5% semi-annually.

TERMINATING VESTED MEMBERS: 50% 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 Georgia 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.



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 7.50% 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.