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April 18, 2013

Mr. James A. Potvin
Executive Director
Georgia Judicial Retirement System
Two Northside 75, Suite 300
Atlanta, GA 30318-7701

Dear Mr. Potvin:

Enclosed is the "Georgia Judicial Retirement System Report of the Actuary on the Valuation Prepared as of June 30, 2012".

The valuation indicates that employer contributions at the rate of 6.98% of compensation are sufficient to support the benefits of the System.

Please let us know if there are any questions concerning the report.

Sincerely yours,

Edward A. Macdonald, ASA, FCA, MAAA
President

Cathy Turcot
Principal and Managing Director

Edward J. Koebel, EA, FCA, MAAA
Principal and Consulting Actuary

Enclosure

S:\Georgia Judicial\Valuations\2012\Report GA JRS Valuation Final DRAFT for Board.doc

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EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA

GEORGIA JUDICIAL RETIREMENT SYSTEM

REPORT OF THE ACTUARY ON THE VALUATION PREPARED AS OF JUNE 30, 2012

Cavanaugh Macdonald
CONSULTING, LLC
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April 18, 2013

Board of Trustees,
Georgia Judicial Retirement System
Suite 300, Two Northside 75
Atlanta, GA 30318-7701

Attention: Mr. James Potvin, Executive Director

Members of the Board:

Section 47-23-21 of the law governing the operation of the Georgia Judicial Retirement System provides that the actuary shall make annual valuations of the contingent assets and liabilities of the Retirement System on the basis of regular interest and the tables last adopted by the Board of Trustees. We have submitted the report giving the results of the actuarial valuation of the System prepared as of June 30, 2012. The report indicates that annual employer contributions at the rate of 6.98% of compensation for the fiscal year ending June 30, 2015 are sufficient to support the benefits of the System.

Since the previous valuation, the one-time 1.75% increase on members' allowances made at retirement has been discontinued for all members who retire on or after July 1, 2013. In addition, legislation has been enacted by the General Assembly for members who join the System on and after July 1, 2012. These members will not be eligible to elect spouse's benefit coverage, and instead will be allowed to elect actuarial equivalent joint and survivor benefits at retirement.

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 are reasonable as a basis for the valuation. The valuation takes into account the effect of all amendments to the System enacted through the 2012 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 percent of payroll. The valuation method used is the entry age normal cost method. The normal contribution rate to cover current cost has been determined as a level percent of payroll. Gains and losses are reflected in the unfunded accrued liability which is negative and being amortized as a level percent of payroll within a 10-year period.

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The 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.

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.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

Sincerely yours,

Edward A. Macdonald, ASA, FCA, MAAA
President

Edward J. Koebel, EA, FCA, MAAA
Principal and Consulting Actuary

Cathy Turcot
Principal and Managing Director

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GEORGIA JUDICIAL RETIREMENT SYSTEM
REPORT OF THE ACTUARY
ON THE VALUATION
PREPARED AS OF JUNE 30, 2012

SECTION I - SUMMARY OF PRINCIPAL RESULTS

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

Valuation Date	June 30, 2012	June 30, 2011
Number of active members	503	507
Annual compensation	$ 51,898,207	$ 52,330,541
Retired members and beneficiaries:		
Number	234	220
Annual allowances	$ 14,826,816	$ 13,499,865
Deferred Vested Members:		
Number	31	33
Annual allowances	$ 1,651,198	$ 1,766,424
Assets:		
Market Value	$ 319,766,000	$ 321,080,000
Actuarial Value	335,225,000	327,483,000
Unfunded actuarial accrued liability	$ (26,363,037)	$ (36,997,288)
Amortization period (years)	10	10
Funded Ratio	108.5%	112.7%
For Fiscal Year Ending	**June 30, 2015**	**June 30, 2014**
Annual Required Employer Contribution Rates (ARC):		
Normal*	13.12%	12.78%
Accrued liability	(6.14)	(8.55)
Total	6.98%	4.23%

* Estimated budgeted administrative expenses are included in the normal contribution.

2. The valuation takes into account the effect of amendments of the System enacted through the 2012 session of the General Assembly. The major benefit and contribution provisions of the System as reflected in the valuation are summarized in Schedule F. Since the previous valuation, the one-time 1.75% increase on members' allowances made at retirement has been discontinued for all members who retire on or after July 1, 2013. In addition, legislation has been enacted by the General Assembly for members who join the System on and after July 1, 2012. These members will not be eligible to elect spouse's benefit coverage, and instead will be allowed to elect actuarial equivalent joint and survivor benefits at retirement.

3. No changes have been made to the assumptions since the previous valuation. Schedule D of this report outlines the full set of actuarial assumptions and methods used to prepare the current valuation.

4. The entry age actuarial cost method was used to prepare the valuation. Schedule E contains a brief description of this method.

5. Comments on the valuation results as of June 30, 2012 are given in Section IV and further discussion of the contributions is set out in Section V.

SECTION II - MEMBERSHIP

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 503 active members, with annual compensation of $51,898,207.

2. For the June 30, 2012 valuation, data was provided by the Retirement System for inactive members who are eligible for deferred vested benefits. The valuation included 31 deferred vested members with annual allowances totaling $1,651,198. In addition, there are 33 inactive non-vested members included in the valuation entitled to a refund of member contributions.

3. The following table shows the number of retired members and beneficiaries receiving a benefit as of June 30, 2012, together with the amount of their annual allowances payable under the System as of that date.

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF RETIRED MEMBERS AND BENEFICIARIES RECEIVING BENEFITS AS OF JUNE 30, 2012

GROUP	NUMBER	ANNUAL RETIREMENT ALLOWANCES
Service Retirements	175	$ 13,008,850
Disability Retirements	2	112,010
Beneficiaries of Deceased Members	57	1,705,956
Total	234	$ 14,826,816

SECTION III - ASSETS

1. As of June 30, 2012 the total market value of assets amounted to $319,766,000 as reported by the Auditor of the System. The actuarial value of assets used for the current valuation was $335,225,000. Schedule B shows the development of the actuarial value of assets as of June 30, 2012.

2. Schedule C shows 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, 2012. The valuation was prepared in accordance with the actuarial assumptions and methods 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 $393,592,228, of which $141,879,737 is for the prospective benefits payable on account of present retired members, beneficiaries of deceased members, and members entitled to deferred vested benefits, and $251,712,491 is for the prospective benefits payable on account of present active members. Against these liabilities, the System has total present assets for valuation purposes of $335,225,000 as of June 30, 2012. The difference of $58,367,228 between the total liabilities and the total present assets represents the present value of contributions to be made in the future. Of this amount, $33,908,870 is the present value of future contributions expected to be made by or on behalf of members, and the balance of $24,458,358 represents the present value of future contributions payable by the employers.

3. The employer's contributions to the System consist of normal contributions and accrued liability contributions. The valuation indicates that annual employer normal contributions at the rate of 12.45% of active members' compensation are required to provide the currently accruing benefits of the System.

4. Prospective normal contributions at the rate of 12.45% of active members' compensation have a present value of $50,821,395. When this amount is subtracted from $24,458,358, which is the present value of the total future contributions to be made by the employers, the result is a prospective unfunded actuarial accrued liability of ($26,363,037).

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 percentage rate which, if applied to the compensation of the average 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 12.45% of active members' compensation.
3. An additional contribution of 0.67% of active members' compensation is required for administrative expenses for the fiscal year ending June 30, 2015.
4. The total normal contribution rate including administrative expenses is, therefore, 13.12% of active members' compensation.
5. The accrued liability contribution at the rate of (6.14%) of active members' compensation is sufficient to amortize the unfunded actuarial accrued liability within 10 years following the valuation date assuming that the total payroll of active members will increase by 3.75% each year.

6. The following table summarizes the employer contribution rates, which were determined by the June 30, 2012 valuation and are recommended for use.

ANNUAL REQUIRED EMPLOYER CONTRIBUTION RATES (ARC)
FOR FISCAL YEAR ENDING JUNE 30, 2015

CONTRIBUTION	PERCENTAGE OF ACTIVE MEMBERS' COMPENSATION
Normal	13.12%
Accrued Liability	(6.14)
Total	6.98%

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, 2012

GROUP	NUMBER
Retirees and beneficiaries currently receiving benefits	234
Terminated employees entitled to benefits but not yet receiving benefits	64
Active plan members	503
Total	801

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)
6/30/2007	$ 297,090	$ 249,278	$ (47,812)	119.2%	$ 48,621	(98.3)%
6/30/2008	313,315	268,516	(44,799)	116.7	51,102	(87.7)
6/30/2009	317,624	282,474	(35,150)	112.4	52,083	(67.5)
6/30/2010	320,050	281,496	(38,554)	113.7	51,293	(75.2)
6/30/2011	327,483	290,486	(36,997)	112.7	52,331	(70.7)
6/30/2012	335,225	308,862	(26,363)	108.5	51,898	(50.8)

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

Year Ending	Annual Required Contribution	Percentage Contributed
6/30/2007	$ 1,778	100%
6/30/2008	2,395	100
6/30/2009	1,703	100
6/30/2010	2,600	100
6/30/2011	1,932	100
6/30/2012	2,083	100

4. Following is the calculation of the annual pension cost and net pension obligation for the fiscal year ending June 30, 2012. Since JRS is a cost sharing multiple employer pension plan, GASB Statement 27 does not require the participating employers to disclose this information.

Annual Pension Cost and Net Pension Obligation for Fiscal Year Ending June 30, 2012

(a)	Employer annual required contribution	$	2,083,000
(b)	Interest on net pension obligation		87,000
(c)	Adjustment to annual required contribution		140,000
(d)	Annual pension cost (a) + (b) – (c)	$	2,030,000
(e)	Employer contributions made for fiscal year ending 06/30/12		2,083,000
(f)	Increase (decrease) in net pension obligation (d) – (e)	$	(53,000)
(g)	Net pension obligation beginning of fiscal year		1,156,000
(h)	Net pension obligation end of fiscal year (f) + (g)	$	1,103,000

TREND INFORMATION
(Dollar amounts in thousands)

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	$ 2,590	100%	$ 1,176
June 30, 2011	1,912	101	1,156
June 30, 2012	2,030	103	1,103

5. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at June 30, 2012. Additional information as of the latest actuarial valuation follows.

Valuation date	6/30/2012
Actuarial cost method	Entry age
Amortization method	Level percent of pay, open
Remaining amortization period	10 years
Asset valuation method	7-year smoothed market
Actuarial assumptions:	
Investment rate of return*	7.50%
Projected salary increases*	3.00% for FY 2012-2013 6.00% for FY 2014+
Cost-of-living adjustments	None
*Includes inflation at	3.00%

SECTION VII – EXPERIENCE

1. The last experience investigation was prepared for the five-year period ending June 30, 2009, and based on the results of the investigation, various assumptions and methods were adopted by the Board on December 16, 2010. The next experience investigation will be prepared for the period July 1, 2009 through June 30, 2014.

2. The following table shows the estimated gain or loss from various factors that resulted in an increase of $10,634,251 in the unfunded accrued liability from ($36,997,288) to ($26,363,037) during the fiscal year ending June 30, 2012.

ANALYSIS OF THE INCREASE IN UNFUNDED ACCRUED LIABILITY

(in thousands of dollars)

ITEM	AMOUNT OF INCREASE/ (DECREASE)
Interest (7.50) added to previous unfunded accrued liability	$ (2,774.8)
Accrued liability contribution	4,710.8
Experience:	
Valuation asset growth	8,638.5
Pensioners' mortality	376.9
Turnover and retirements	2,080.7
New entrants	442.3
Salary increases	(4,536.5)
Method changes	0.0
Amendments	(870.0)
Assumption changes	0.0
Programming modification	1,648.9
Miscellaneous changes	917.5
Total	$ 10,634.3

SCHEDULE A

VALUATION BALANCE SHEET
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE GEORGIA JUDICIAL RETIREMENT SYSTEM
AS OF JUNE 30, 2012

	ACTUARIAL LIABILITIES		
(1)	Present value of prospective benefits payable on account of present retired members, beneficiaries of deceased members, and members entitled to deferred vested benefits		
	- Service and disability benefits	$ 113,278,323	
	- Death and survivor benefits	12,228,603	
	- Deferred vested benefits	16,372,811	
	Total		$ 141,879,737
(2)	Present value of prospective benefits payable on account of present active members		251,712,491
(3)	TOTAL ACTUARIAL LIABILITIES		$ 393,592,228
	PRESENT AND PROSPECTIVE ASSETS		
(4)	Actuarial value of assets		$ 335,225,000
(5)	Present value of total future contributions = (3)-(4)	$ 58,367,228	
(6)	Present value of future member contributions		33,908,870
(7)	Present value of future employer contributions = (5)-(6)	$ 24,458,358	
(8)	Employer normal contribution rate (net of expenses)	12.45%	
(9)	Present value of future payroll	$ 408,203,978	
(10)	Prospective normal contributions = (8) x (9)		50,821,395
(11)	Prospective unfunded accrued liability contributions = (7)-(10)		(26,363,037)
(12)	TOTAL PRESENT AND PROSPECTIVE ASSETS		$ 393,592,228

SCHEDULE B

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

(1)	Actuarial Value Beginning of Year		$	327,483,000
(2)	Market Value End of Year		$	319,766,000
(3)	Market Value Beginning of Year		$	321,080,000
(4)	Cash Flow			
	(a)	Contributions	$	6,987,000
	(b)	Benefit Payments and expenses		(14,872,000)
	(c)	Net: (4)(a) + (4)(b)	$	(7,885,000)
(5)	Investment Income			
	(a)	Market Total: (2) – (3) – (4)(c)	$	6,571,000
	(b)	Assumed Rate		7.50%
	(c)	Amount for Immediate Recognition: [(3) x (5)(b)] + [(4)(c) x (5)(b) x 0.5]	$	23,785,000
	(d)	Amount for Phased-In Recognition: (5)(a) – (5)(c)		(17,214,000)
(6)	Phased-In Recognition of Investment Income			
	(a)	Current Year: (5)(d) / 7	$	(2,459,000)
	(b)	First Prior Year		5,327,000
	(c)	Second Prior Year		1,278,000
	(d)	Third Prior Year		(8,548,000)
	(e)	Fourth Prior Year		(4,782,000)
	(f)	Fifth Prior Year		2,752,000
	(g)	Sixth Prior Year		(1,726,000)
	(h)	Total Recognized Investment Gain	$	(8,158,000)
(7)	Actuarial Value End of Year: (1) + (4)(c) + (5)(c) + (6)(h)		$	335,225,000
(8)	Difference Between Market & Actuarial Values: (2) – (7)		$	(15,459,000)
(9)	Rate of Return on Actuarial Value			4.83%

SCHEDULE C

SUMMARY OF RECEIPTS AND DISBURSEMENTS
(Market Value)

	YEAR ENDING	
Receipts for the Year	June 30, 2012 ($1,000's)	June 30, 2011 ($1,000's)
Contributions:		
Members	$ 4,904	$ 4,721
Employer	2,083	1,932 *
Subtotal	$ 6,987	$ 6,653
Administrative Expense Allotment	0	0
Investment Earnings	6,571	57,330
TOTAL	$ 13,558	$ 63,983
Disbursements for the Year		
Benefit Payments	$ 14,416	$ 13,011
Refunds to Members	146	260
Administrative Expenses	310	290
TOTAL	$ 14,872	$ 13,561
Excess of Receipts over Disbursements	$ (1,314)	$ 50,422
Reconciliation of Asset Balances		
Asset Balance as of the Beginning of Year	$ 321,080	$ 270,658**
Excess of Receipts over Disbursements	(1,314)	50,422
Asset Balance as of the End of Year	$ 319,766	$ 321,080
Rate of Return	2.07%	21.46%

*As of June 30, 2011, the reported employer contributions were $1,163,000 which reflect an error in the reported amount for the previous fiscal year of $769,000. For valuation purposes, we have adjusted the employer contributions to include this amount.
** As of June 30, 2010 the total market value of assets amounted to $271,427,000 as reported by the Auditor of the System. This amount includes employer contributions of $769,000 reported in error and an adjustment was made during the 2011 fiscal year to correct this error. For valuation purposes, we adjusted the employer contributions and the market value of assets as of June 30, 2010 to exclude this amount.

SCHEDULE D

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

Adopted by the Board December 16, 2010.

VALUATION INTEREST RATE: 7.50% per annum, compounded annually, net of investment expenses, composed of a 3.00% inflation assumption and a 4.50% real rate of investment return assumption.

SALARY INCREASES: The following shows the assumed rates of salary increases:

Fiscal Year	Rates of Salary Increases
2011	0%
2012	3%
2013	3%
2014+	6%

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

	Annual Rates of			
Age	Withdrawal	Death		Disability
		Men	Women	
20	8.0%	.035%	.019%	.05%
25	8.0	.038	.021	.05
30	8.0	.044	.026	.10
35	8.0	.077	.048	.15
40	8.0	.108	.071	.20
45	4.0	.151	.112	.35
50	3.0	.214	.168	.50
55	3.0	.362	.272	.90
60	3.0	.675	.506	1.45
65	3.0	1.274	.971	2.35

RETIREMENT: The assumed annual rates of retirement are shown below.

Age	Annual Rates of Retirement
60	12%
61 – 64	12
65 – 66	15
67 – 69	20
70 – 74	30
75	100

DEATHS AFTER RETIREMENT: The RP-2000 Combined Mortality Table is used for the period after retirement and for dependent beneficiaries. Representative values of the assumed annual rates of mortality are as follows:

Age	Men	Women	Age	Men	Women
40	.108%	.071%	65	1.274%	.971%
45	.151	.112	70	2.221	1.674
50	.214	.168	75	3.783	2.811
55	.362	.272	80	6.437	4.588
60	.675	.506	85	11.076	7.745

The RP-2000 Disability Mortality Table set back eleven years for males is used for the period after disability.

ADMINISTRATIVE EXPENSES: Budgeted expenses for the fiscal year are added to the normal cost contribution.

AMORTIZATION METHOD AND PAYROLL GROWTH ASSUMPTION: Level percentage of payroll, assuming payroll will increase 3.75% per year.

ASSET METHOD: 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 value of assets, based on the assumed valuation rate of return. The amount recognized each year is 1/7 of the difference between market value and expected market value.

PERCENT MARRIED: There is no implicit marriage assumption, since death benefits are paid only to those members who elect coverage. For members who have elected spouse coverage, husbands are assumed to be three years older than their wives.

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 7.50%), 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. Future salary increases are also anticipated. 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, beneficiaries and members entitled to deferred vested benefits 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 unfunded actuarial 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 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 actuarial accrued liability contributions are determined by subtracting the present value of prospective employer normal contributions and member contributions, together with the current actuarial value of assets, 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

The Georgia Judicial Retirement System (JRS) is a cost-sharing multiple employer defined benefit pension plan established by the Georgia General Assembly for the purpose of providing retirement allowances and other benefits for trial judges and solicitors of certain courts in Georgia, and their survivors and other beneficiaries, superior court judges of the state of Georgia, and district attorneys of the state of Georgia.

Normal Retirement Benefit	
Eligibility	Age 60 and 16 years of creditable service.
Benefit	Annual benefit is 66-2/3% of the annual salary plus 1% for each year of credited service over 16 years, not to exceed 24 years.
Early Retirement Benefit	
Eligibility	Age 60 and 10 years of creditable service.
Benefit	A pro-rata portion of the normal retirement benefit, based on service not to exceed 16 years.
Disability Retirement Benefit	
Eligibility	4 years of creditable service.
Benefit	For members with less than 10 years of creditable service: 1/2 of projected normal retirement benefit. For members with 10 or more years of creditable service: 2/3 of projected normal retirement benefit.
Involuntary Retirement Benefit	N/A
Deferred Vested Retirement Benefit	
Eligibility	10 years of creditable service.
Benefit	Accrued benefit deferred to age 60.
Death Benefit	
Eligibility	
Members prior to July 1, 2012	10 years of creditable service during which the member has contributed for spouse coverage.
Members on and after July 1, 2012	10 years of creditable service.

Benefit

Members prior to July 1, 2012	50% of benefit which member was receiving if retired, or would have received had he retired on the date of his death. If under age 60, and the member was a member of a Predecessor Retirement System, an immediate benefit equal to 50% of the benefit which member would have received had he remained employed and retired at age 60. If under age 60 and not a member of a Predecessor Retirement System, an immediate benefit equal to 50% of the benefit which the member would have received if the member were age 60 on the date of death.
Members on and after July 1, 2012	Spouse receives a benefit as if member retired on his or her date of death and elected option three. If less than 10 years of service or member rejects spouse coverage or dies before contributing for spouse's coverage for at least 10 years, death benefit is return of member's contributions with interest.

Termination Benefit

Eligibility	Termination with less than 10 years of creditable service.
Benefit	Return of the member's accumulated contributions with interest.

Payment Options

Members prior to July 1, 2012	Monthly Life Annuity with Death Benefit payable as described above with guaranteed payment of accumulated contributions.
Members on and after July 1, 2012	Monthly Life Annuity with guaranteed payment of accumulated contributions. Option 1 – 100% Joint & Survivor Option 2 – 66-2/3% Joint & Survivor Option 3 – 50% Joint & Survivor Pop-Up Option – Election of Options 1, 2, or 3 with added provision that if survivor predeceases the member the benefit reverts to the amount the member would have received had no option been chosen.

Post-Retirement Adjustments	The Board may from time to time grant a Cost of Living Adjustment. For members with retirement dates prior to July 1, 2013, a one time 1.75% increase on the first $37,500 is made at the time of retirement.

Contributions

By Members	Members prior to July 1, 2012 contribute 7-1/2% of salary, plus 2-1/2% of salary for up to 16 years if spouse benefit is not rejected. Members on and after July 1, 2012 contribute 7-1/2% of salary.
By Employers	Employer contributions are actuarially determined and approved and certified by the Board.

SCHEDULE G

The Number and Average Annual Compensation of Active Members by Age and Service as of June 30, 2012

	Years of Service									
Age	**Under 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 & Up**	**Total**
Under 25	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
30 to 34	0	1	0	0	0	0	0	0	0	1
Avg. Pay	0	25,000	0	0	0	0	0	0	0	25,000
35 to 39	2	17	4	0	0	0	0	0	0	23
Avg. Pay	111,837	90,804	84,675	0	0	0	0	0	0	91,567
40 to 44	7	21	13	7	0	0	0	0	0	48
Avg. Pay	109,512	91,537	80,668	85,364	0	0	0	0	0	90,314
45 to 49	3	13	21	7	3	0	0	0	0	47
Avg. Pay	110,005	104,795	102,455	101,181	81,815	0	0	0	0	102,077
50 to 54	1	16	16	20	15	6	2	0	0	76
Avg. Pay	120,252	97,229	104,385	110,407	108,705	113,191	128,532	0	0	106,856
55 to 59	6	14	17	28	32	11	14	1	0	123
Avg. Pay	114,452	95,008	95,931	112,505	113,536	113,401	118,972	120,252	0	109,465
60 to 64	0	9	19	26	28	7	12	3	0	104
Avg. Pay	0	93,064	110,959	104,253	104,569	91,301	114,411	91,265	0	104,520
65 to 69	1	5	6	8	17	6	8	2	3	56
Avg. Pay	101,953	115,606	107,913	100,709	105,566	95,704	108,603	103,313	51,551	102,359
70 & Up	0	1	3	4	5	3	3	6	0	25
Avg. Pay	0	55,000	67,510	127,106	115,538	55,135	120,252	96,202	0	97,881
Total	20	97	99	100	100	33	39	12	3	503
Avg. Pay	111,459	94,945	98,971	106,888	108,094	100,161	116,030	98,157	51,551	103,177

Average Age: 55.8
Average Service: 12.7

SCHEDULE G
(Continued)

NUMBER OF RETIRED MEMBERS AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 50	0	$ 0	$ 0
50 - 54	0	0	0
55 - 59	0	0	0
60 - 64	28	2,141,111	76,468
65 - 69	42	3,147,789	74,947
70 - 74	44	3,406,514	77,421
75 - 79	26	2,013,628	77,447
80 - 84	19	1,382,929	72,786
85 - 89	12	693,800	57,817
90 - 94	4	223,079	55,770
95 & Over	0	0	0
Total	175	$ 13,008,850	$ 74,336

NUMBER OF BENEFICIARIES AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 50	0	$ 0	$ 0
50 - 54	1	6,436	6,436
55 - 59	2	27,088	13,544
60 - 64	6	158,559	26,427
65 - 69	4	154,855	38,715
70 - 74	7	258,678	36,954
75 - 79	14	484,906	34,636
80 - 84	9	262,172	29,130
85 - 89	12	325,692	27,141
90 - 94	0	0	0
95 & Over	2	27,570	13,785
Total	57	$ 1,705,956	$ 29,929

SCHEDULE G
(Continued)

NUMBER OF DISABLED RETIREES AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 50	0	$ 0	$ 0
50 - 54	1	56,355	56,355
55 - 59	0	0	0
60 - 64	0	0	0
65 - 69	1	55,655	55,655
70 - 74	0	0	0
75 - 79	0	0	0
80 - 84	0	0	0
85 - 89	0	0	0
90 - 94	0	0	0
95 & Over	0	0	0
Total	2	$ 112,010	$ 56,005

NUMBER OF DEFERRED VESTED MEMBERS AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 45	1	$ 54,186	$ 54,186
45-49	2	106,397	53,198
50-54	8	408,279	51,035
55-59	16	811,300	50,706
60-64	1	89,828	89,828
65 & Over	3	181,208	60,403
Total	31	$ 1,651,198	$ 53,264