TRS Board of Trustees
Annual Meeting
May 13, 2026 - 10:30 a.m.
1st Floor Conference Room
Two Northside 75, Suite 100
Atlanta, Georgia
Via Zoom Video/Audio Conference*

A G E N D A

1. Adoption of Minutes for the March 25, 2026, Board of Trustees Meeting and the Investment Committee Meetings on March 25, 2026, and April 22, 2026

2. Executive Director's Operational Status Report

3. Financial Statements:
   - 3.1 Statement of Fiduciary Net Position
   - 3.2 Statement of Changes in Fiduciary Net Position
   - 3.3 Expense Fund (For Approval)

4. Legislative Update

5. Adoption of Maximum Percentage Increase for Two-Year Average Salary for FY 2027

6. Review of June 30, 2025, Actuarial Valuation Results

7. Adoption of FY 2028 Employee and Employer Contribution Rates

8. Election of Trustee Experienced in Investments

9. Board Elections for FY 2027
   - 9.1 Chair, Board of Trustees
   - 9.2 Vice-Chair, Board of Trustees
   - 9.3 Investment Committee Members

10. Adoption of FY 2027 Committee Assignments

11. Other Business

**To participate in*
https://us06web.zoom.us/j/84892776979?pwd=us6i0f7txGPaozfGo5uK0lFAgrUuZJ.1
Meeting ID: 848 9277 6979 Passcode: 615031

To participate via conference call: 929-205-6099 or 301-715-8592

TRS Board of Trustees
Minutes of Bi-monthly Meeting
March 25, 2026

The Board of Trustees of the Teachers Retirement System of Georgia met in its bi-monthly meeting on March 25, 2026, at 10:30 a.m. via in person and Zoom Video/Audio Conference. Trustees present in person were Ms. Deborah K. Simonds, Chair, Dr. Mary Elizabeth Davis, Mr. Kenneth Dyer, Mr. Greg S. Griffin, Mr. Christopher A. McGraw and Dr. William G. Sloan. Trustees participating via Zoom were Mr. Steven N. McCoy, Ms. Miriam M. Shook and Mr. Christopher M. Swanson.

TRS staff members present were Dr. Jason L. Branch, Ms. Laura L. Lanier, Mr. Winston C. Buckley, Mr. R. Cory Buice, Ms. K. Paige Donaldson, Mr. Michael J. Jackson, Ms. Dina N. Jones, Ms. Sonya M. Kinley, Mr. Carlos Marshall, Mr. Thomas W. McMurry, Ms. Janice Robinson, Ms. Vonnie B. Stewart and Ms. Lisa Watry.

Mr. Caleb Grant and Ms. Shelley Seinberg were present as legal counsel.

Visitors in attendance were Mr. Chase Jones, Ms. Karen Solheim, Mr. Dan Splinter, Mr. Josh Stephens, Ms. Lisa Underwood and Mr. Nate Weinsten.

Ms. Simonds called the meeting to order and welcomed trustees and guests present at meeting.

<u>Item 1</u>
Mr. Dyer made a motion to adopt the January 28, 2026, Board of Trustees meeting minutes and the Investment Committee meeting minutes for January 28, 2026, and February 25, 2026. Dr. Davis seconded the motion. The motion was unanimously adopted.

<u>Item 2</u>
Dr. Branch presented the Executive Director's Operational Status Update. Work items, statistical data and updates for each division were reviewed. Financial Services completed annual cashflow forecasting and submitted to Division of Investment Services to meet TRS and ERS cashflow needs. Communications and Outreach completed 36 total events; 19 counties reached with 957 workshop attendees and included 3 Beneficiary Registration events. Member Services Outreach completed 20 events, 17 counties reached, with 400 total attendees (virtual and in-person). The March 1, 2026, benefit payroll showed the maximum plan continues to be the most popular plan elected by members at 56%. There were 140,729 service retiree recipients who received an average monthly benefit of $3,742, with a monthly total benefit payroll of $566.6 million. The average age of retirement was 60 years.

Dr. Branch recognized Ms. Janice Robinson on her outstanding customer service provided to a TRS member.

<u>Item 3</u>
Ms. Lanier reported on the financial statements and expense fund:

3.1 Assets restricted for pensions were $128.7 billion, a 16.2% increase from February 2025.

3.2 Total contributions recognized year-to-date as of February 28, 2026, were $3.1 billion while benefit payments made were $4.5 billion.

3.3 The expense fund remained on target with normal operations. Year-to-date with 67% of the year completed, TRS has expended 55.8% of budgeted funds. Mr. Dyer made a motion to approve the expense fund. Mr. Griffin seconded the motion. The motion was unanimously adopted.

Item 4

Dr. Branch presented a legislative update. Highlights of the following legislation were presented: House Bill 372 and Senate Bills 150 and 209. The report was provided for information.

Item 5

Ms. Simonds introduced Mr. Winston Buckley to present an overview of the Communications and Outreach Division. Mr. Buckley outlined the Division's responsibilities and provided updates on outreach event types, campaigns, publications, social media platforms and AI use cases.

Item 6

Ms. Lisa Watry and Mr. Carlos Marshall provided an update on TRS' Strategic Plan. Strategic plan highlights included: as of February 28, 2026, 45% of active members have designated beneficiaries and 53% have an online account with 79% of retirees having online accounts; began researching potential vendors and solutions for upgrade of pension administration system; Member's Guide has been converted to a searchable, accessible web-based dropdown format with ADA-complaint features; and new phone system implementation occurred March 2026.

Ms. Simonds called for any other business. There being no further business to discuss, Ms. Simonds adjourned the meeting at 11:30 a.m.

Deborah K. Simonds Chair	Jason L. Branch Executive Director

Executive Director's Operational Status Report

Agenda Item 2
May 13, 2026

Teachers Retirement System of Georgia

Jason L. Branch, Ph.D.

Financial Services Division

- ***Awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the submission of the fiscal year 25 ACFR***

- *Completed review of 945-X Adjusted tax returns*

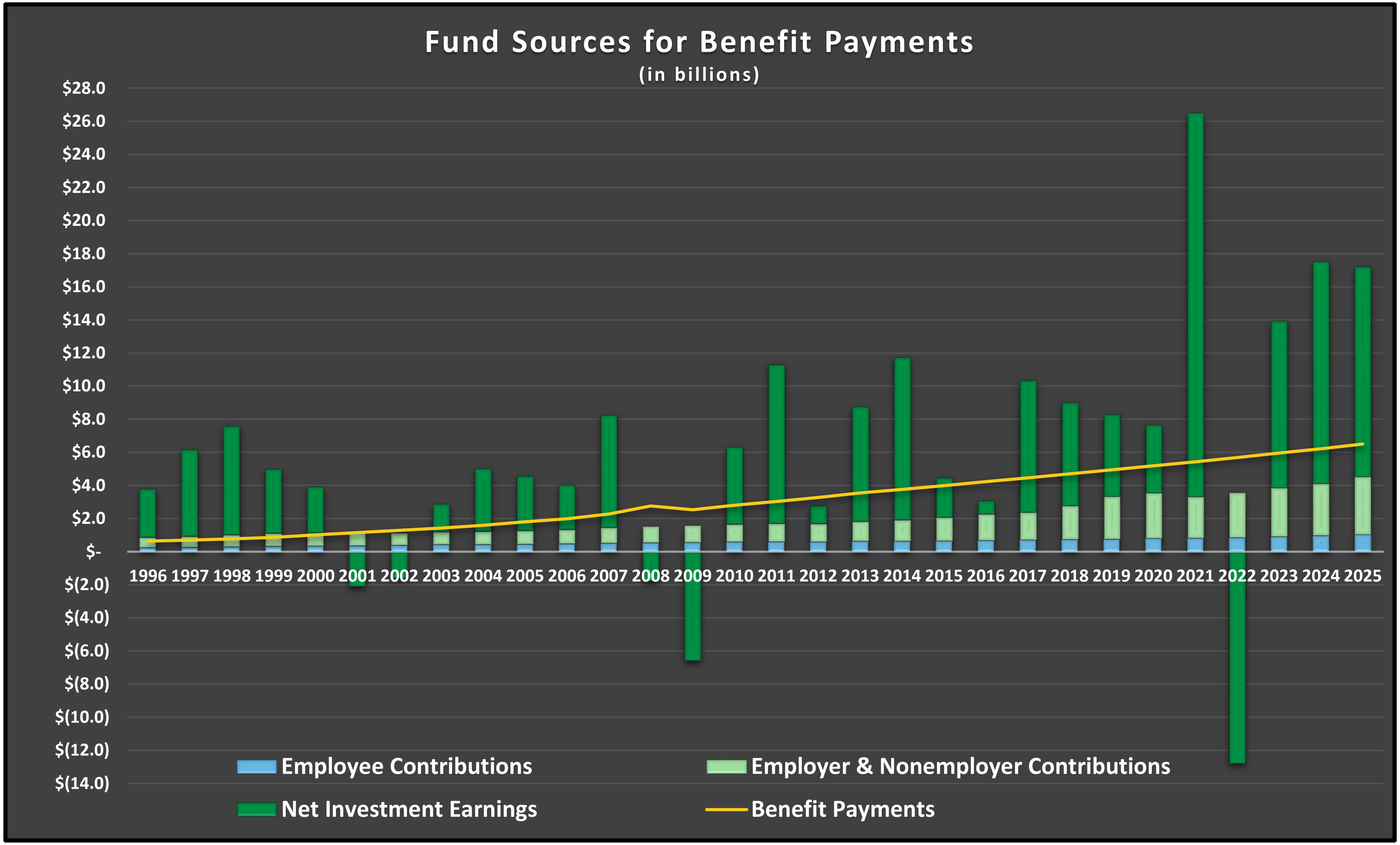
- ***Completed and submitted quarterly payroll tax returns***

- *Completed our annual review of building and contents property value to submit to DOAS for insurance purposes*

- ***Completed review and approved issuance of final GASB 68 actuarial reports and completed KPMG audit***

Financial Services Division

Teachers Retirement System of Georgia



Financial Services Division
38th GFOA Award

Teachers Retirement System of Georgia

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Teachers Retirement System of Georgia

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

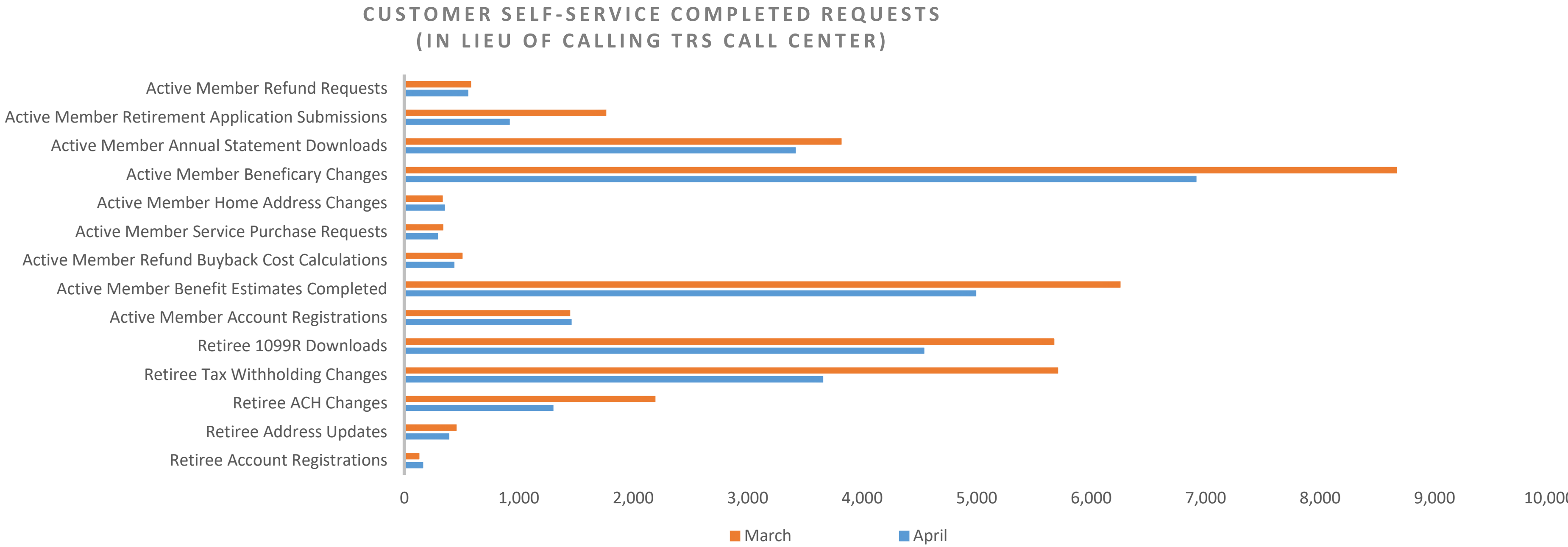
June 30, 2025

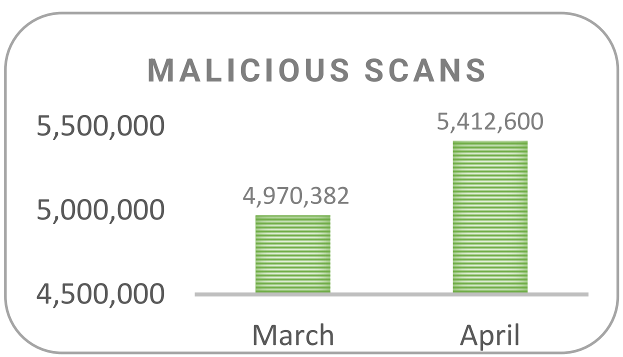
(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **Teachers Retirement System of Georgia** for its annual comprehensive financial report for the fiscal year ended June 30, 2025. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

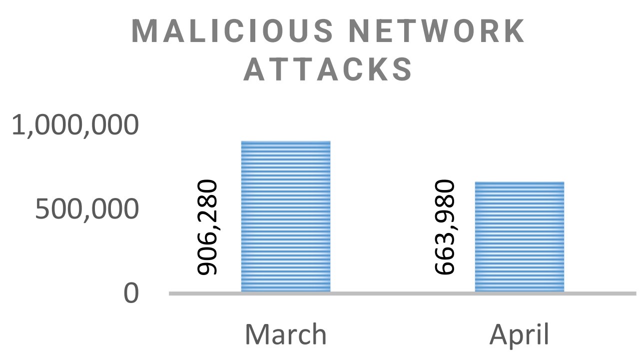
The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

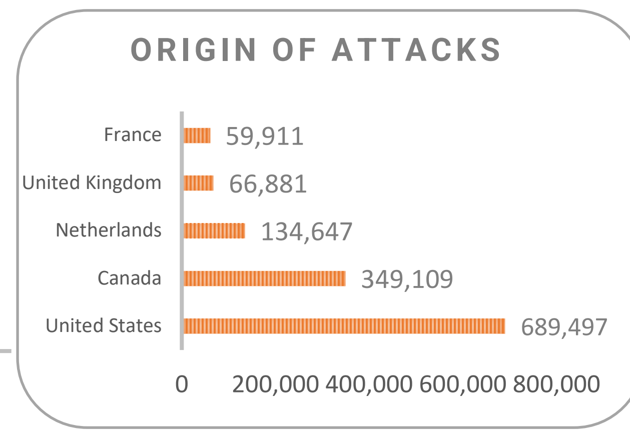
Information Technology

Customer & Cybersecurity Statistics: March – April 2026







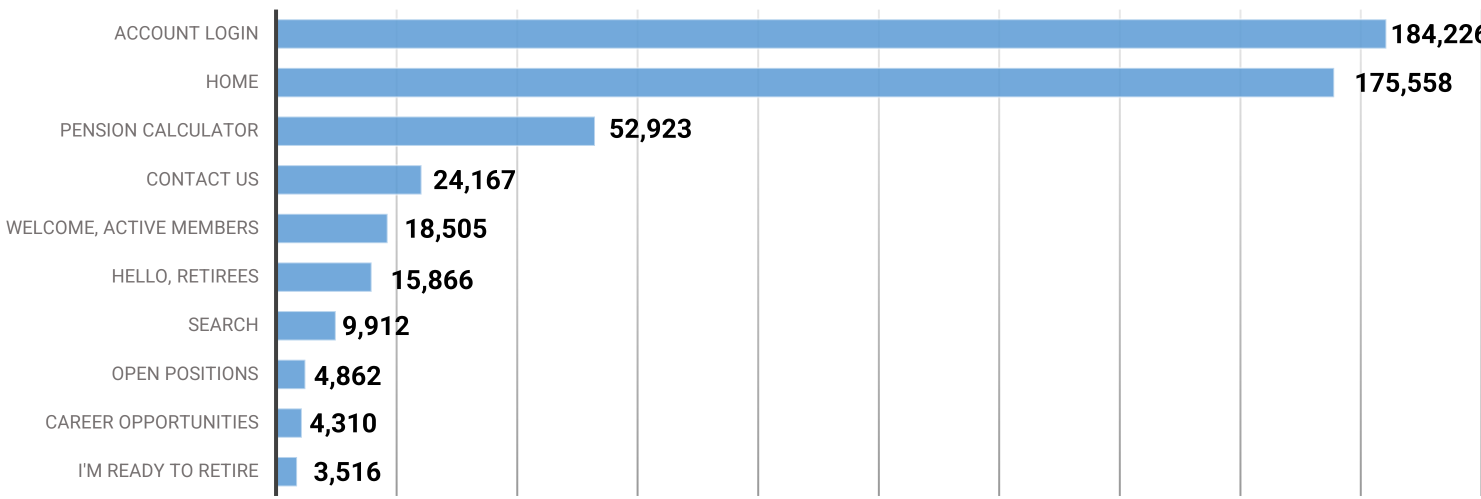


Information Technology

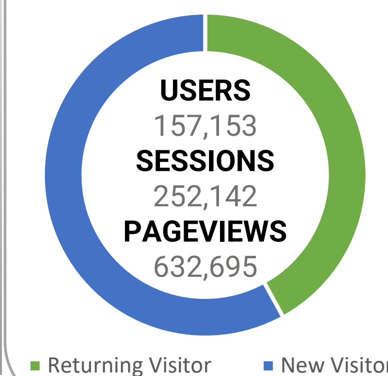
TRSGA.com Activity: March – April 2026

Teachers Retirement System of Georgia

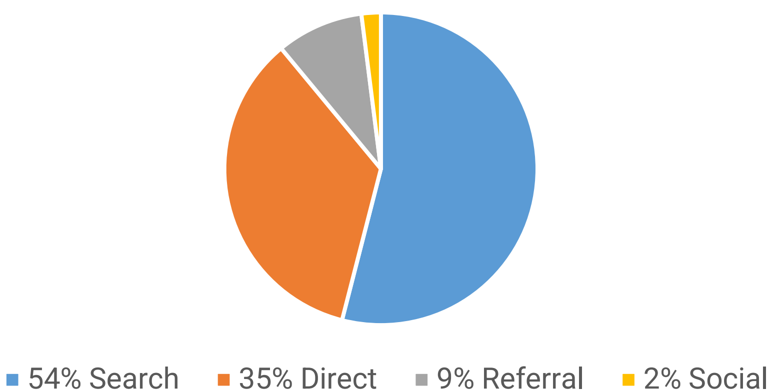
Top 10 Pages



Audience Overview



How is the site located?



Visitors by Device

Desktop 75%

Mobile 24%

Tablet 1%

2,774 Customer Requests
submitted via website

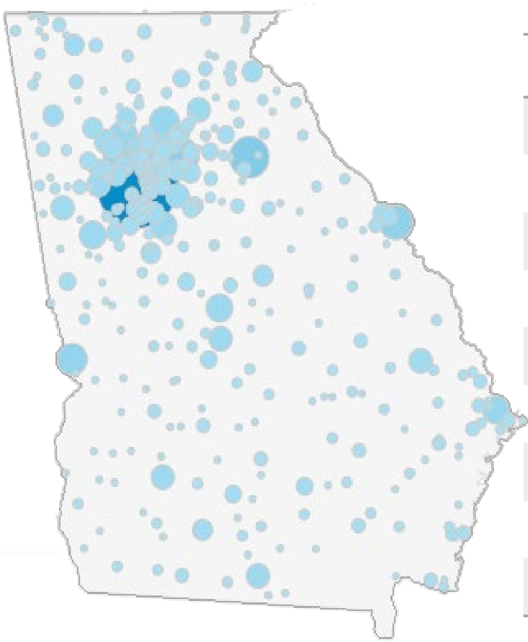
- Miscellaneous Questions: **2,408**
- Death notifications: **366**

Information Technology

TRSGA.com Activity: March – April 2026

Teachers Retirement System of Georgia

Top 10 Georgia



Atlanta	**43,695**
Macon	17,153
Athens	2,735
Marietta	1,779
Lawrenceville	1,622
Augusta	1,594
Woodstock	1,529
Columbus	1,395
Stonecrest	1,394
Savannah	1,370

Top 10 Countries

United States	**153,621**
Singapore	1,946
Germany	299
United Kingdom	223
China	189
India	178
Canada	91
France	89
Netherlands	50
Vietnam	47

Avg. Session Duration
1 Minute 36 Seconds

Outreach Events

38 Workshops Completed (75% in-person)
48 Total Events
20 Counties Reached
2,140 Workshop Attendees

Communications & Outreach

Other Events

4 Retiree Events
5 Conferences
3 Beneficiary Events

Communications & Outreach

March 1, 2026 – April 30, 2026

Teachers Retirement System of Georgia

Social Media Production

Facebook – 217.8K Members Reached, 54 Posts, 5 Reels

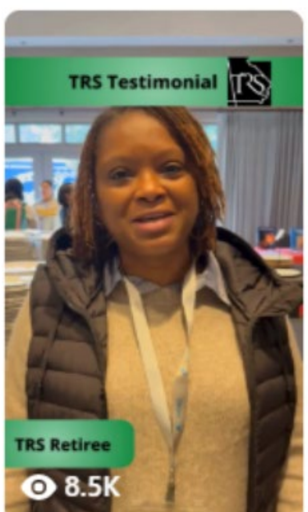
YouTube – 6.2K Views, 2 Videos

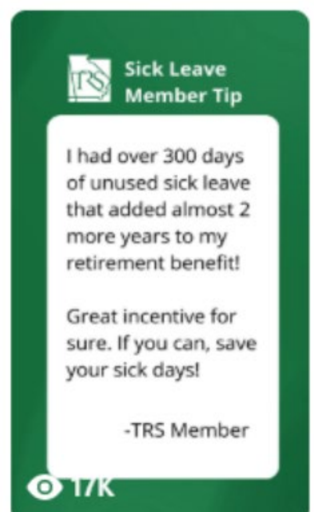
X (Formerly Twitter) – 3.3K Impressions, 50 Posts

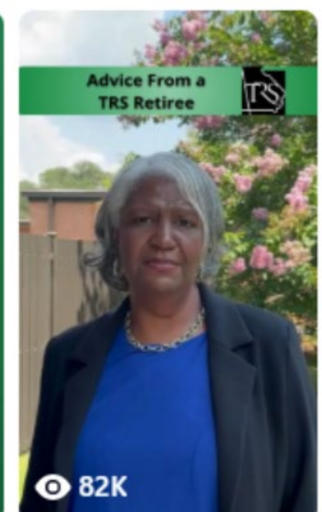
LinkedIn – 8.6K Reached, 51 Posts

Podcast – 2K Listens

Instagram – 1.7K Reached, 10 Posts, 5 Reels







Communications & Outreach

March 1, 2026 – April 30, 2026

Teachers Retirement System of Georgia

Interdivisional Communications Projects

Employer Summit Comms Support
15 Email Campaigns
Newsletter
Insider Posts – 4
Canva Project Designs – 48
QR Code Scans – 2,467
Emails – 125K Emails, 0.02% Unsubscribe Rate, 12.24% Click Through Rate

Human Resources

HR Snapshot: March 1, 2026 – April 30, 2026

Teachers Retirement System of Georgia

Staffing Status and Open Positions

3

Number of Hires

- Collections Analyst
- Operations Manager, Refund & Service
- Retirement Counselor- Macon

8

Current Vacancies

- Benefit Claims Retirement Coordinator
- Document Scanner/Indexer
- Employer Specialists (2)
- HR Trainer
- Outreach Program Manager
- Working after Retirement Coordinator
- Working after Retirement Specialist

0

Promotions

Employee Turnover

1

Number of Employees

Reasons:

- Resignation

3.59%

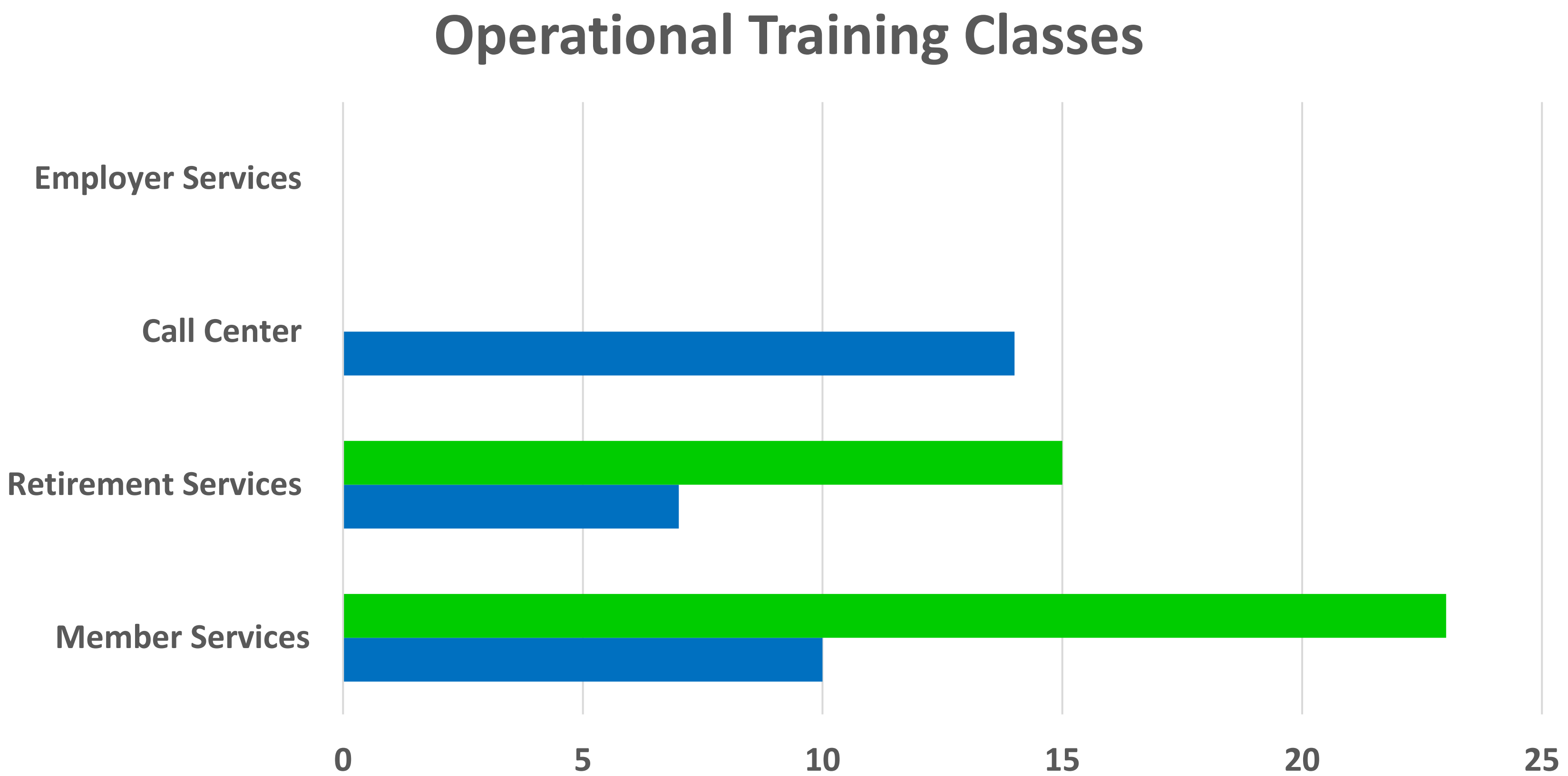
YTD Turnover Rate (excluding retirements)

4

Average Years Tenure at Termination

Human Resources

March 1, 2026 – April 30, 2026



	Member Services	Retirement Services	Call Center	Employer Services
April	23	15	0	0
March	10	7	14	0

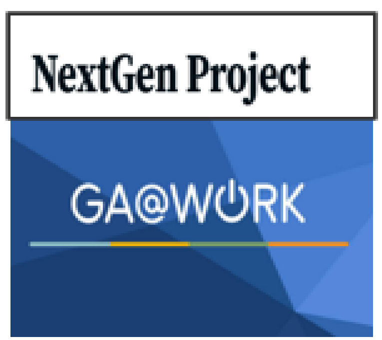
Human Resources

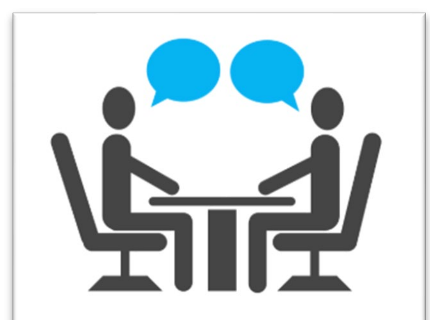
HR FY 2026: March – April 2026 HIGHLIGHTS

Teachers Retirement System of Georgia

HR Highlights

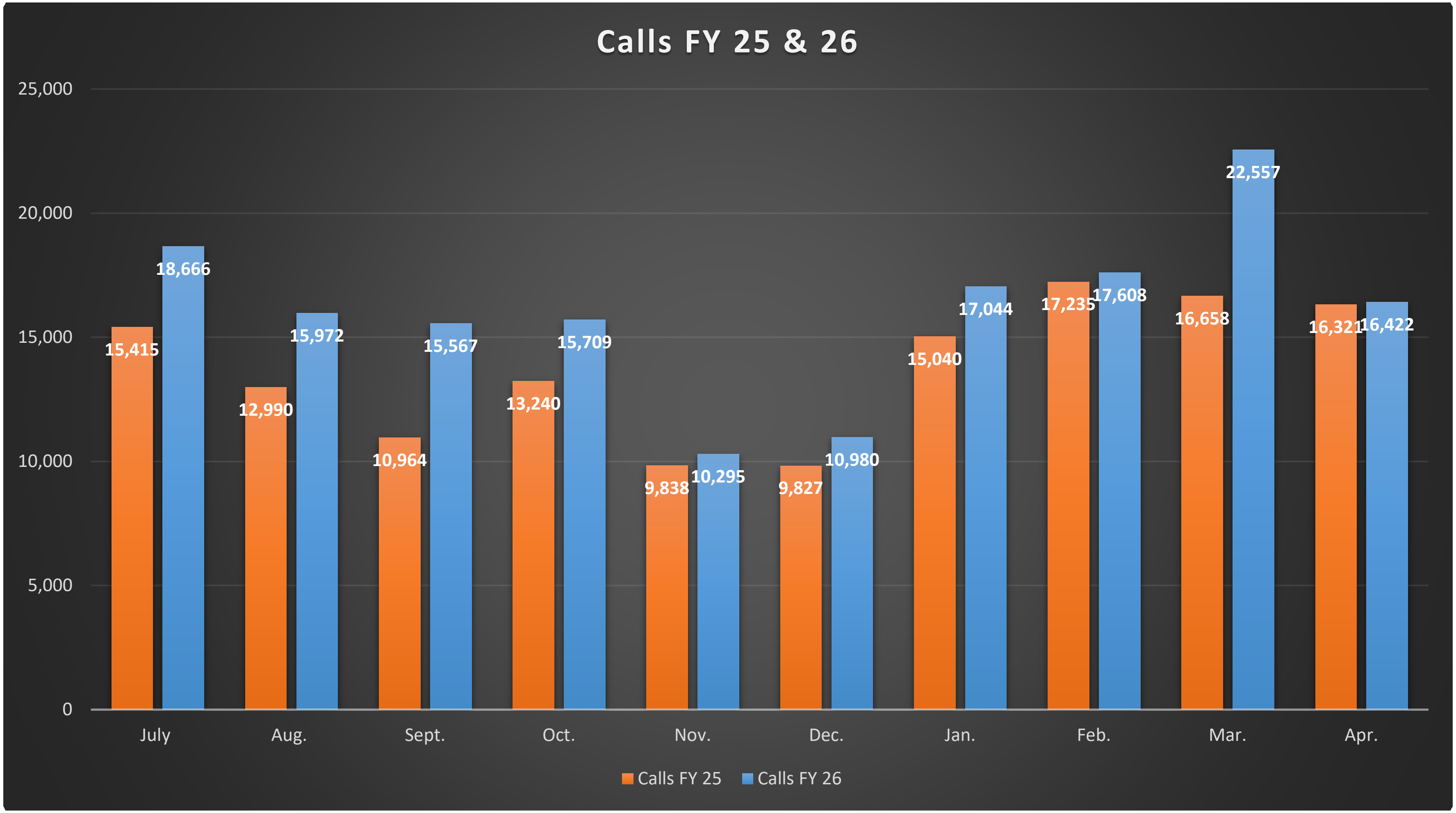
- **Participated in MS Outlook and time management planning sessions with KSA Dynamics and IT**
- **Participated in NextGen GA@WORK meetings and training to support ongoing implementation efforts**
- **Completed agency interviews across multiple divisions**
- **Hosted Wealth Builders meetings (March–April) to advance financial literacy and long-term wealth building**





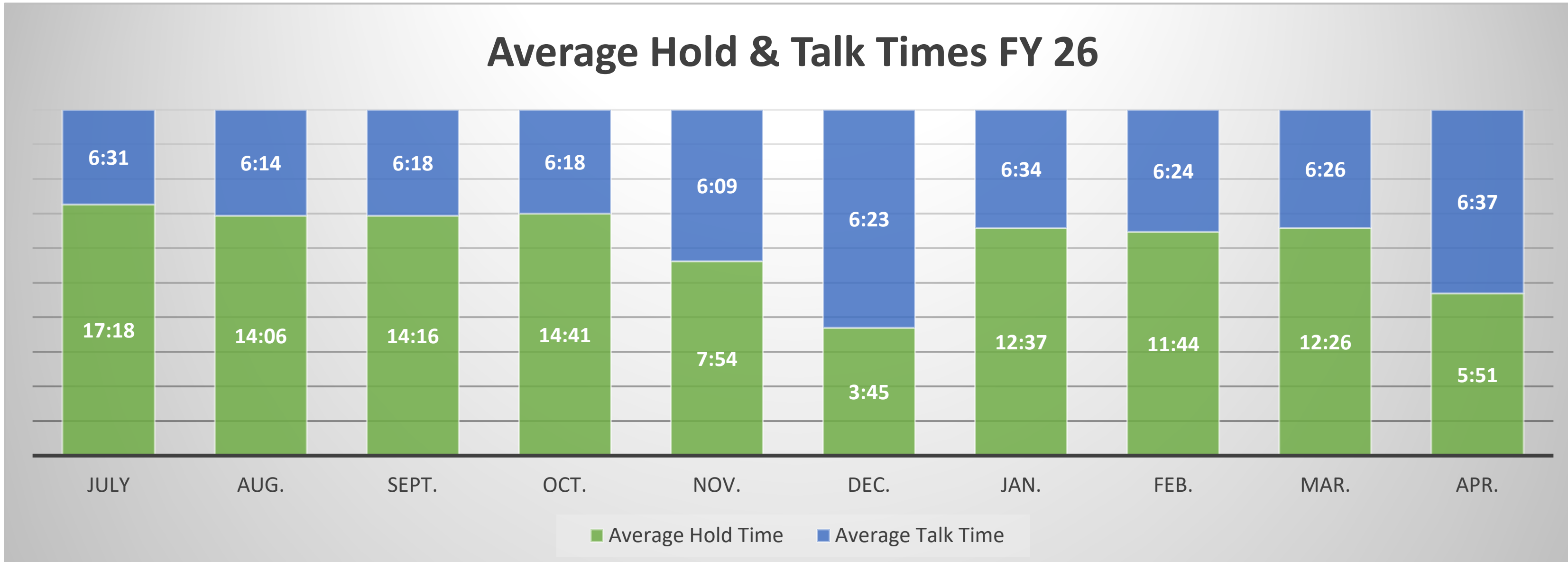
Contact Management

Call Center



Contact Management

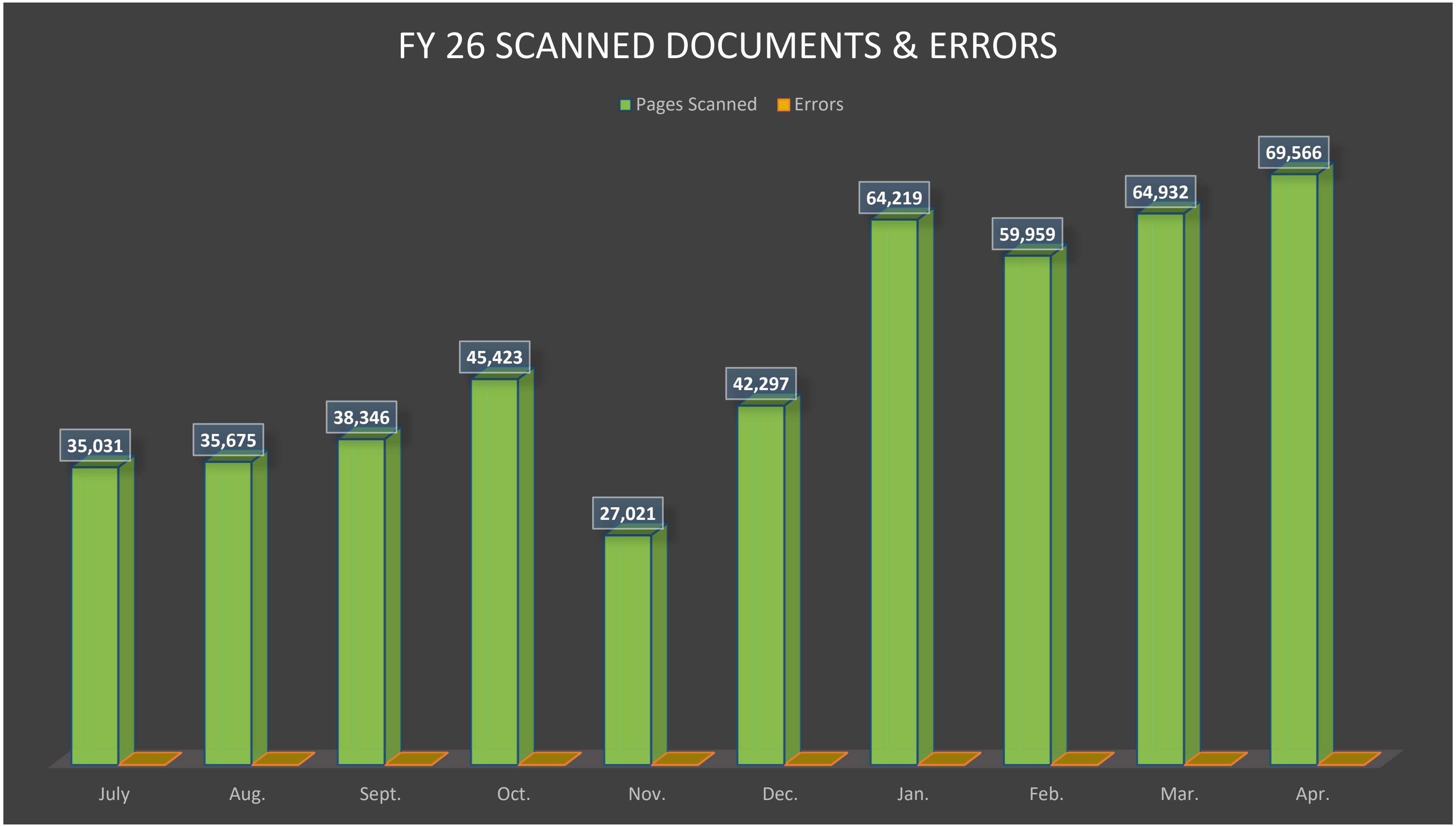
Call Center



FY 26 Top Reasons for Calls			
Month	**1**	**2**	**3**
July	Refunds	General Account Questions	Web Assistance
August	Web Assistance	Refunds	General Account Questions
September	General Account Questions	Refunds	Password Reset - Web
October	General Account Questions	Refunds	Password Reset - Web
November	General Account Questions	Refunds	Password Reset - Web
December	General Account Questions	Refunds	Password Reset - Web
January	General Account Questions	Password Reset - Web	Refunds
February	General Account Questions	Form 1099-R	Password Reset - Web
March	New Retirement	General Account Questions	Password Reset - Web
April	General Account Questions	New Retirement	Password Reset - Web

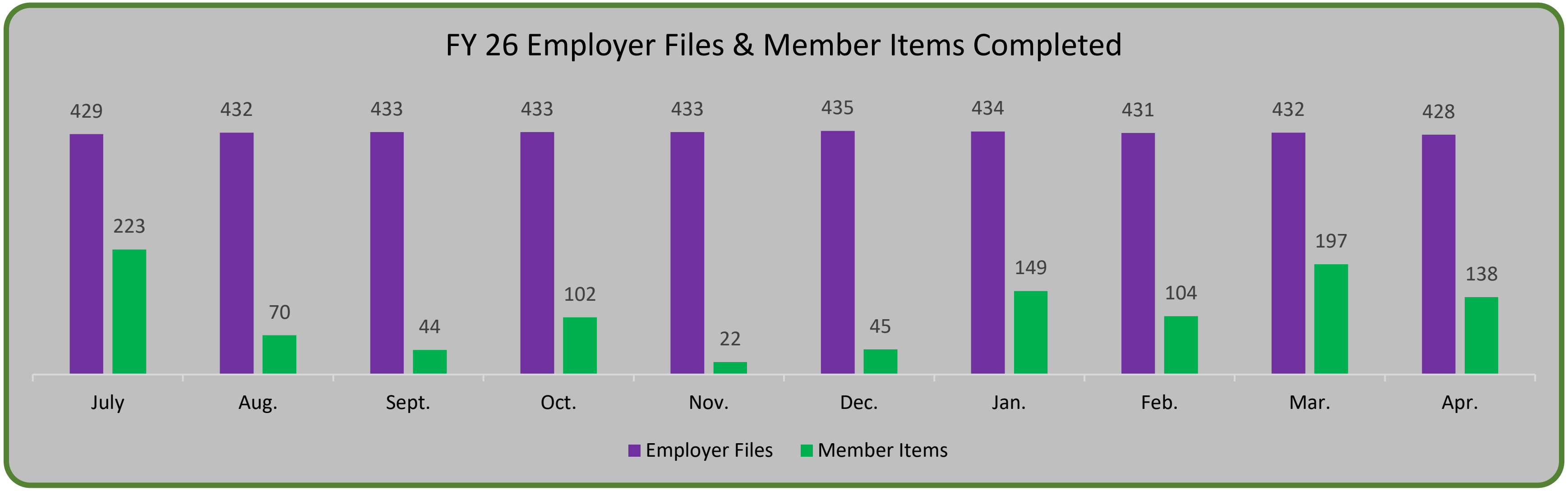
Contact Management

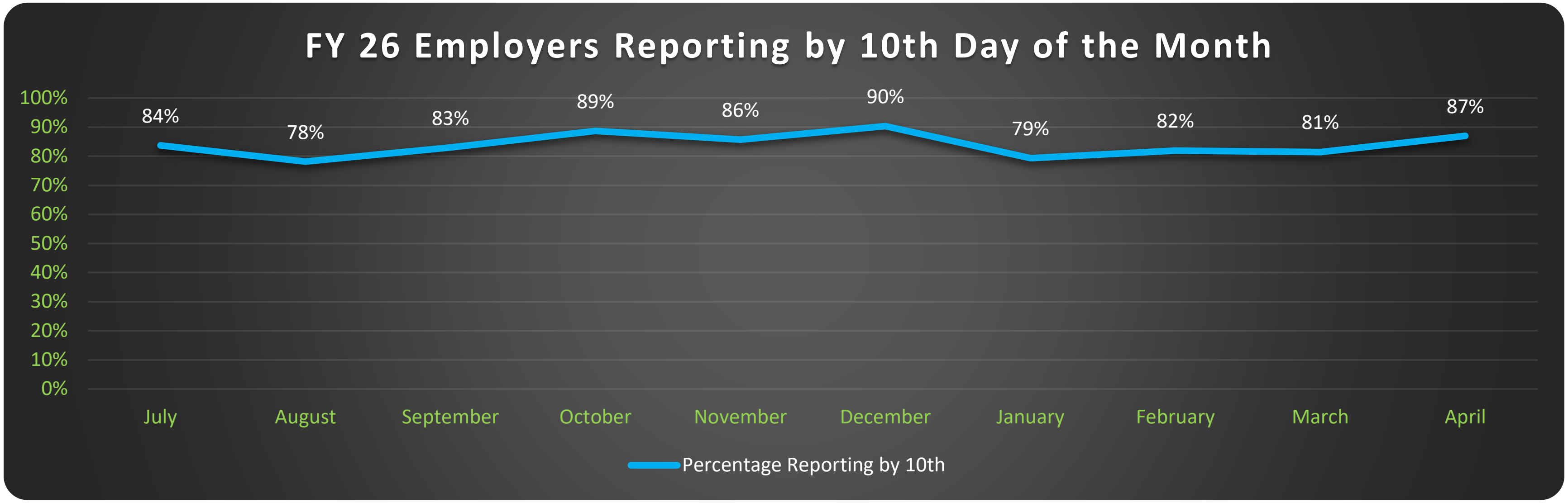
Records Management



Employer Services

Teachers Retirement System of Georgia





Member Services

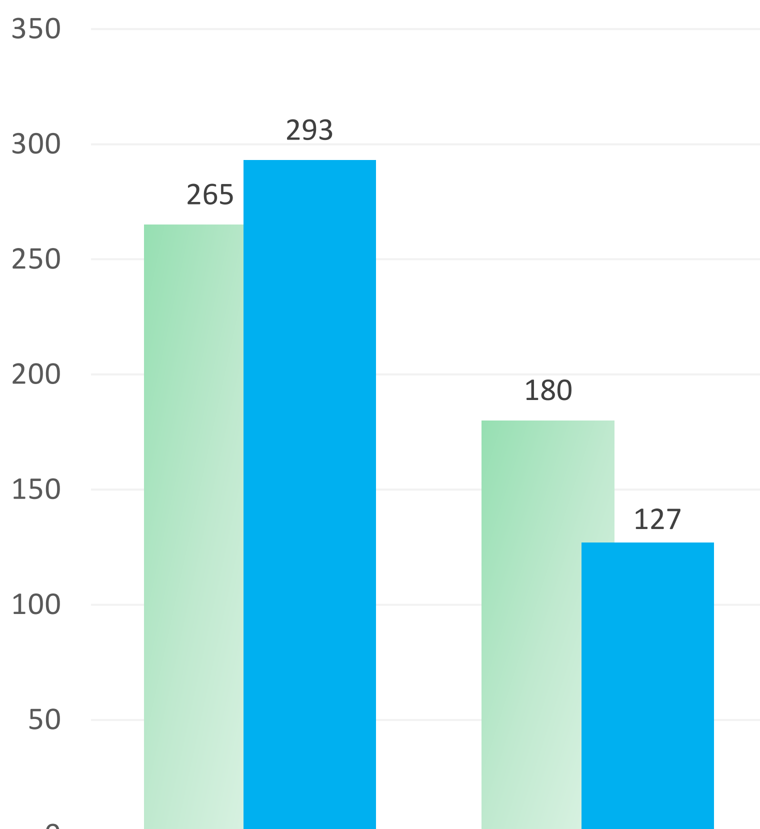
March – April 2026

	BENEFIT ESTIMATES & COST CALCULATIONS REQUESTED	COMPLETED WORK ITEMS	DISABILITY APPLICATIONS PROCESSED FOR PAYMENT	NEW RETIREMENT APPLICATIONS PROCESSED FOR PAYMENT	REFUND APPLICATIONS PROCESSED FOR PAYMENT	TOTAL VISITORS COUNSELED - ATLANTA	TOTAL VISITORS COUNSELED - MACON
MARCH 2026	1,886	6,735	16	169	493	445	152
APRIL 2026	1,712	6,643	6	218	406	420	150

Member Services

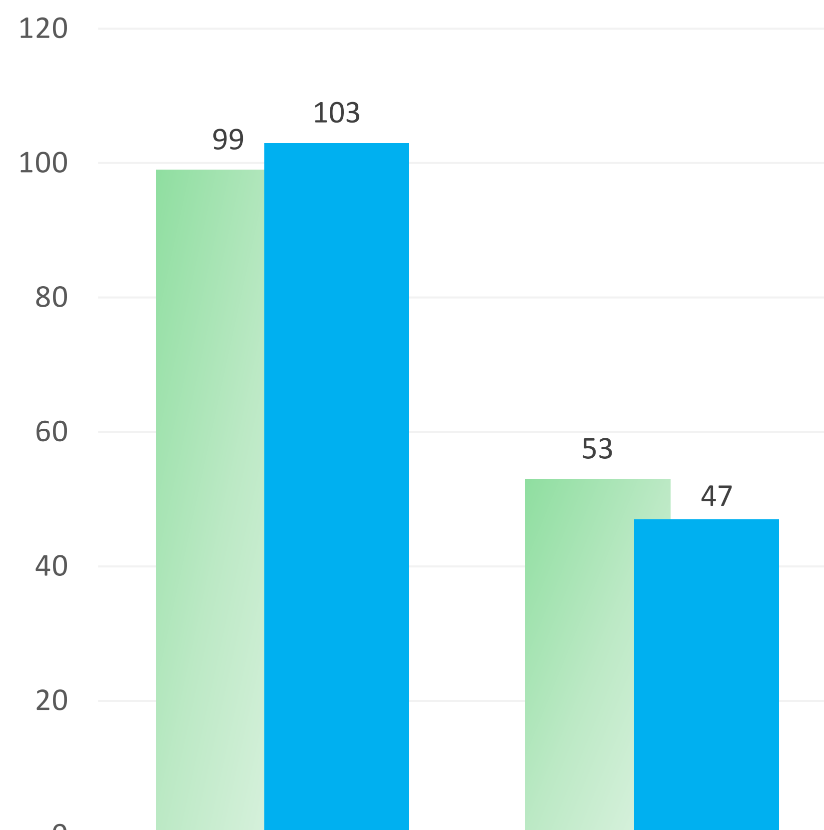
March – April 2026

ATLANTA OFFICE



	VISITORS COUNSELED - VIRTUALLY	VISITORS COUNSELED - IN PERSON
MARCH 2026	265	180
APRIL 2026	293	127

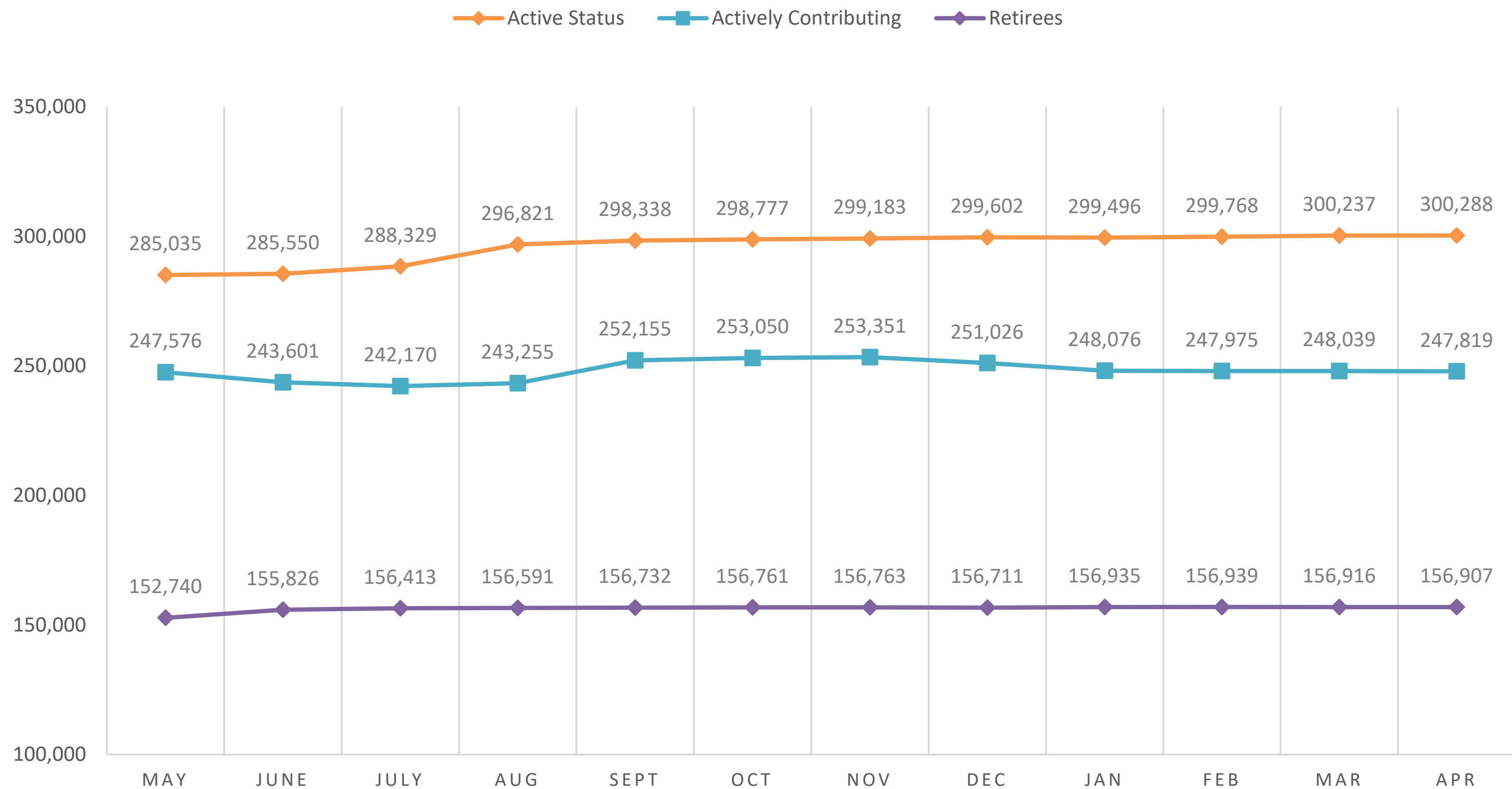
MACON OFFICE



	VISITORS COUNSELED - VIRTUALLY	VISITORS COUNSELED - IN PERSON
MARCH 2026	99	53
APRIL 2026	103	47

Member Services

May 2025 – April 2026



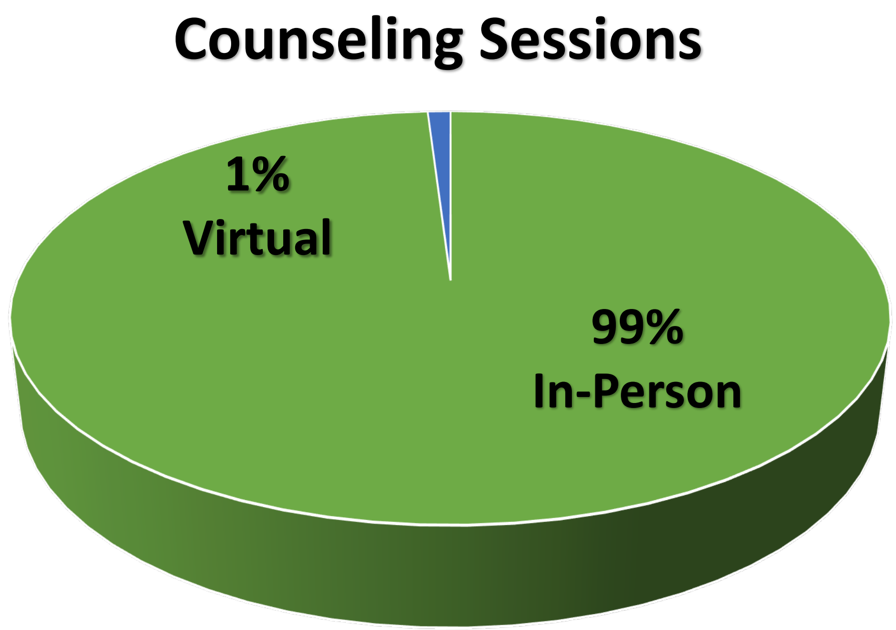
Active Status = Contributions Received During Last 4 Years

Member Services

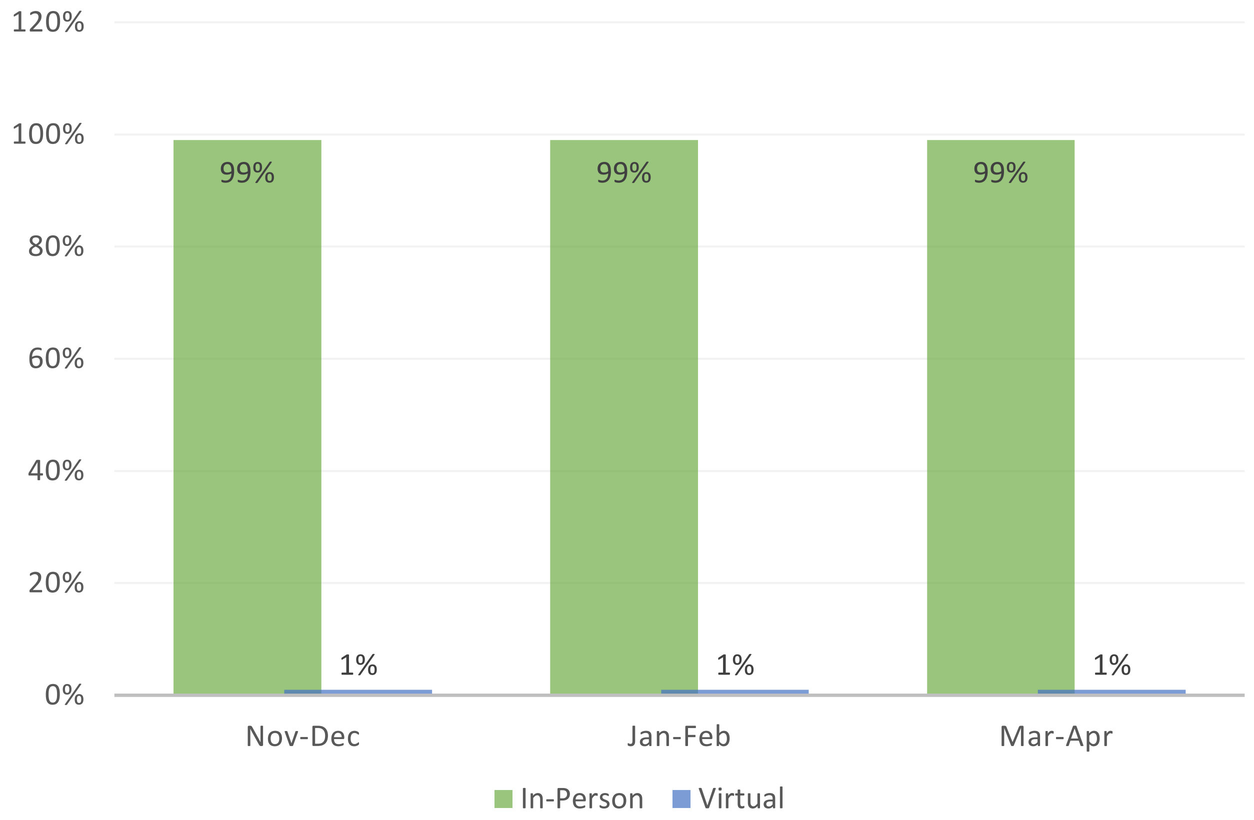
Outreach: March – April 2026

Outreach Production

417 Outreach Individual Counseling Sessions
3 Workshops with 135 Attendees
552 Total Event Attendees (Virtual & In-Person)
24 Events Total
7 RESA Regions Visited



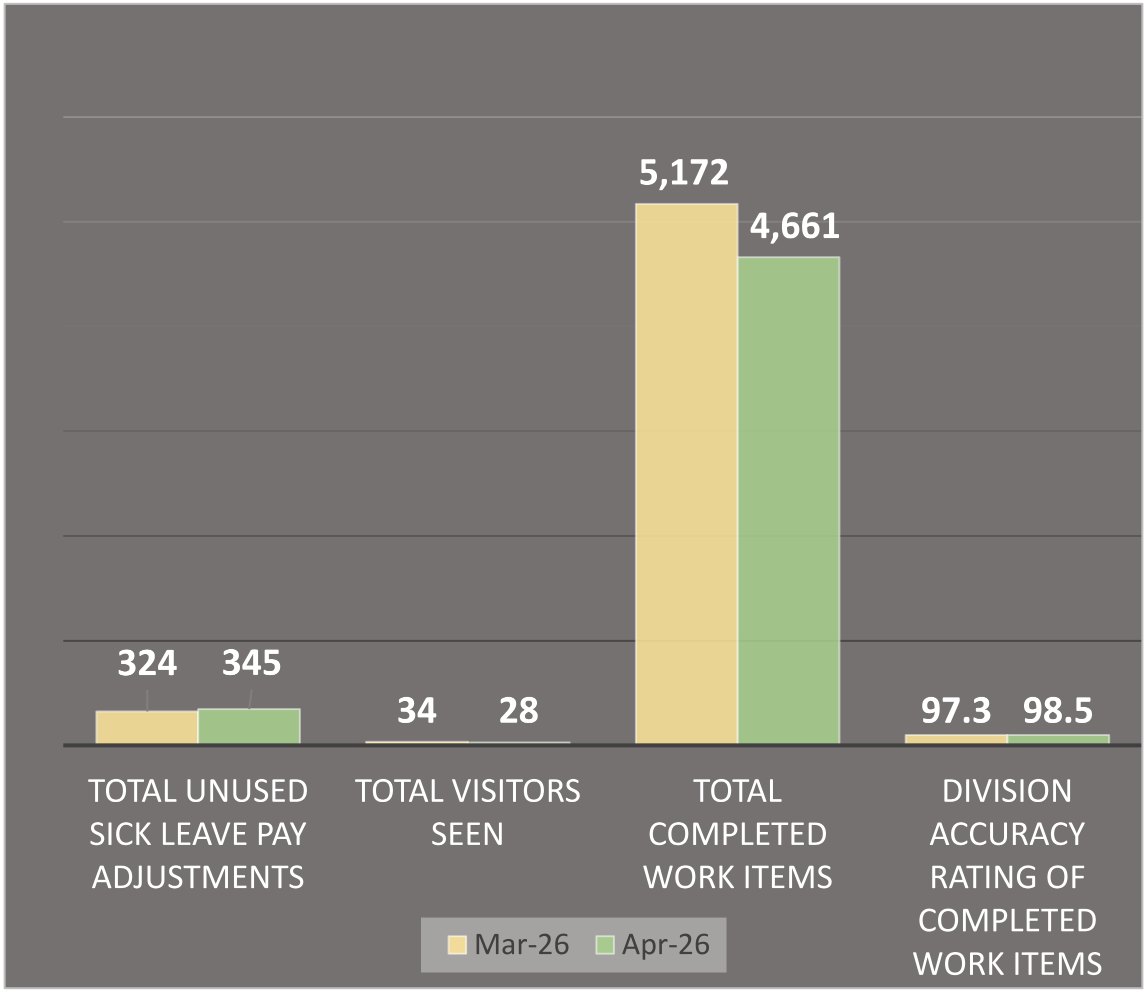
In-Person & Virtual Sessions Over 6 Months



Retirement Services Division

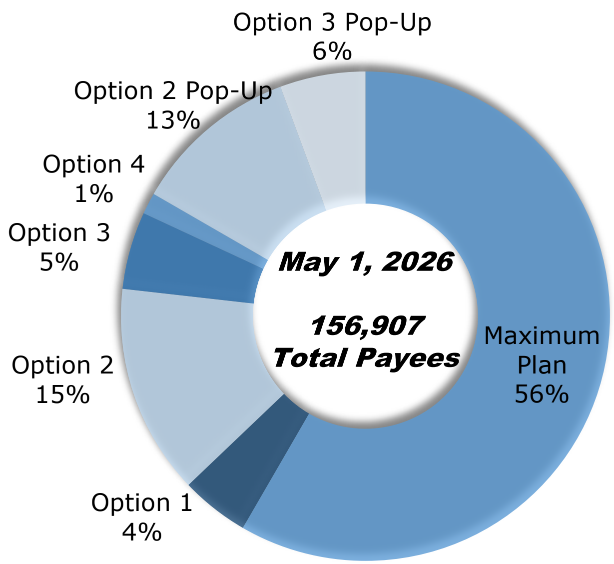
Operations Status Update: March 2026 – April 2026

Teachers Retirement System of Georgia



Retirement Services Division

Payroll Statistics: April 1, 2026 vs May 1, 2026



Option 1: Member contributions and interest are amortized over a longer period, leaving a lump-sum refund to the beneficiary.
Option 2: At retiree's death, beneficiary receives same monthly benefit amount.
Option 3: At retiree's death, beneficiary receives one-half of the monthly benefit amount.

Option 4: At retiree's death, beneficiary receives a monthly amount specified by the retiree.

Options 2 & 3 Pop-Up: If the beneficiary predeceases retiree, retiree's benefit amount increases to the maximum.

** Denotes Service Retirement Only*	*April 1, 2026*	*May 1, 2026*
**Service Retirees*	140,647	140,593
**Average Monthly Benefit*	$3,740	$3,738
**Average Service Credit*	25.41	25.40
**Average Age at Retirement*	60	60
**Average Age at Payment*	72	72
Total Benefit Payroll	$566.2 Million	$565.8 Million
EFT	99.3%	99.3%

Retirement Services Division

Overpayment Analysis: June 2022 – May 1, 2026

Teachers Retirement System of Georgia

Overpayment Balance

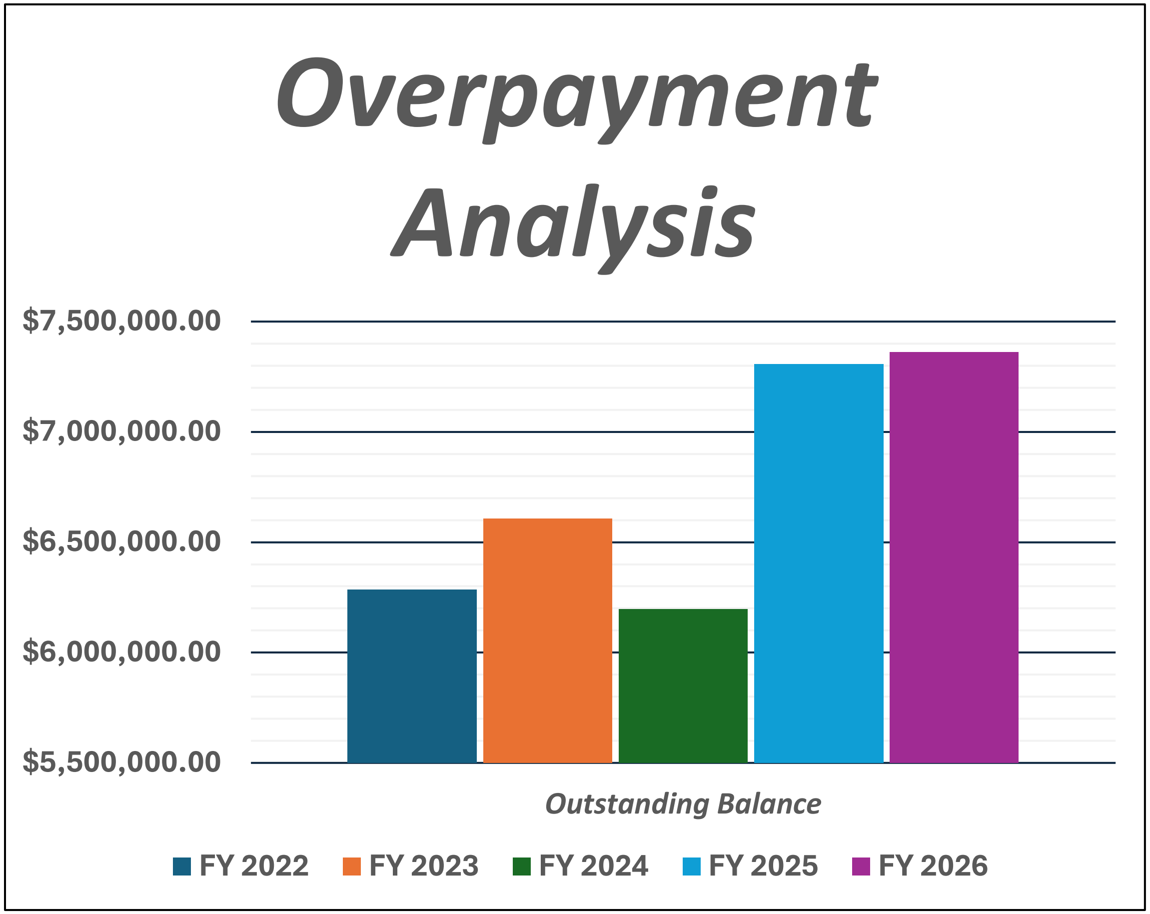
As of June 30, 2022
$6,285,135.58

As of June 30, 2023
$6,607,136.90

As of June 30, 2024
$6,197,144.92

As of June 30, 2025
$7,306,687.16

As of May 1, 2026
$7,361,282.28

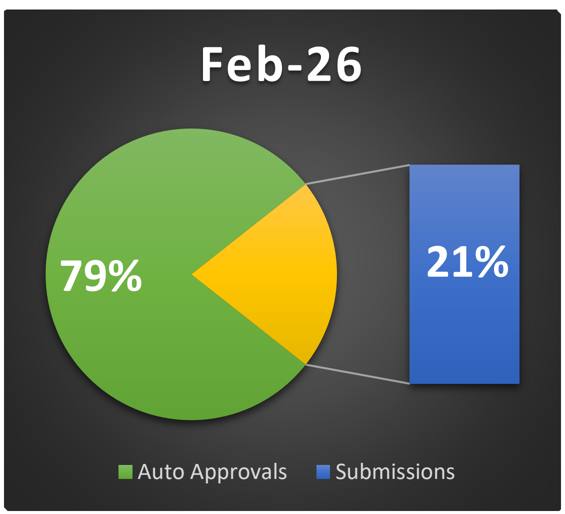


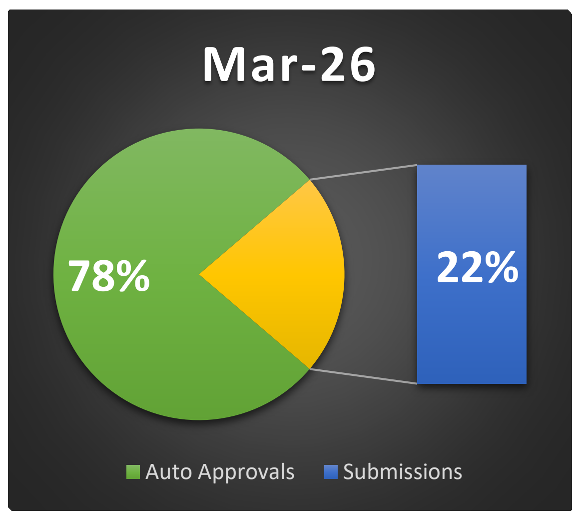
Retirement Services Division

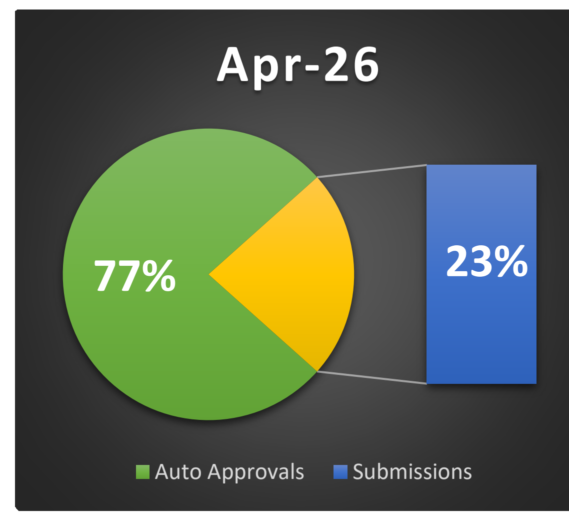
Return to Work: Auto-Approvals vs Submissions

	Feb-26	Mar-26	Apr-26	Total
Auto Approvals	389	386	407	1,182
Submissions	105	112	123	340
Total	494	498	530	1,522

77.7% of Employment Verifications auto-approved from February through April







Retirement Services Division

Return to Work: HB 385 Full-Time Classroom Teacher

Total HB 385 since July 1, 2022: 1,813

(auto approvals, rejections, & manually reviewed submissions)

As of May 1, 2026

242 = Approvals for FY 23

382 = Approvals for FY 24

471 = Approvals for FY 25

169 = New Approvals for FY 26

305 = Reapproved for FY 26 (From previous year)

474 = Total Approved to Work in FY 26

HB 385 Subject Areas	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
ELA	23	20	14	20
Elementary Ed	5	1	10	99
Math	83	143	174	106
Science	32	58	56	9
Special Education	99	160	217	240
Total	**242**	**382**	**471**	**474**

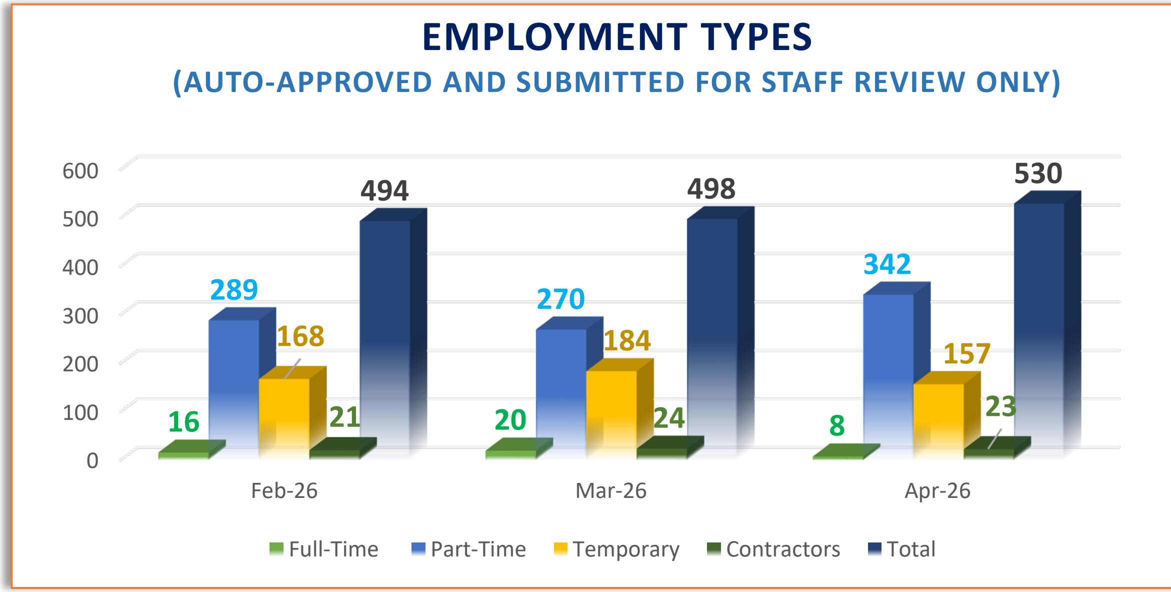
Current Monthly Employment Type Volume

Highest Volume: ***Part-Time***

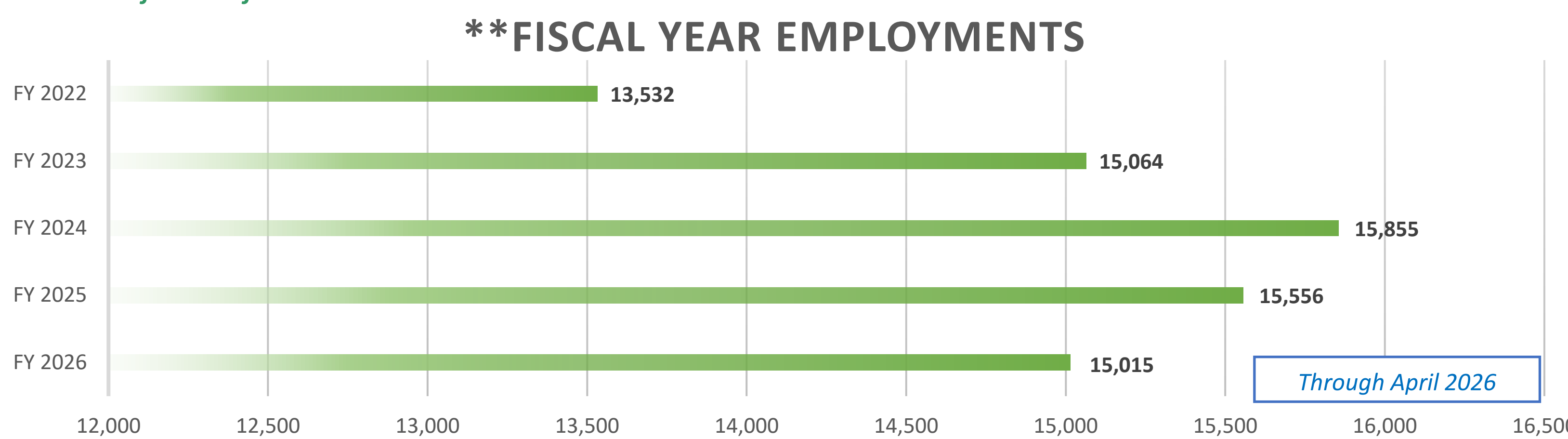
***HB385** approved during **March**: **16**

***HB385** approved during **April: 3**

(*Includes both auto and manual approvals)

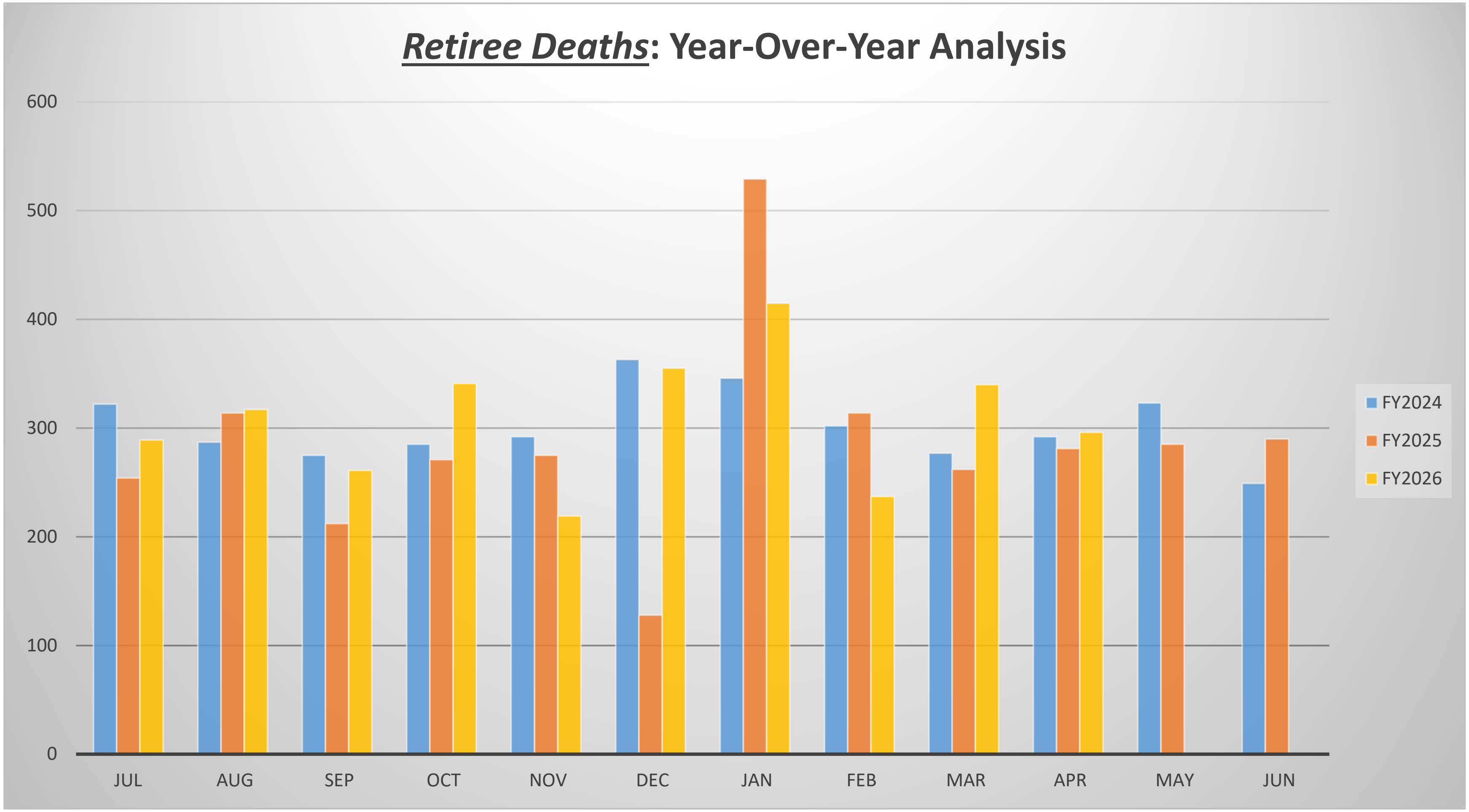


*****Fiscal Year employments include both online and workflow verifications received.***



Retirement Services Division

Retired Deaths



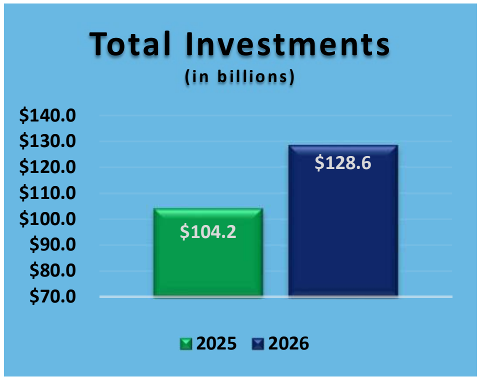
Thank You!

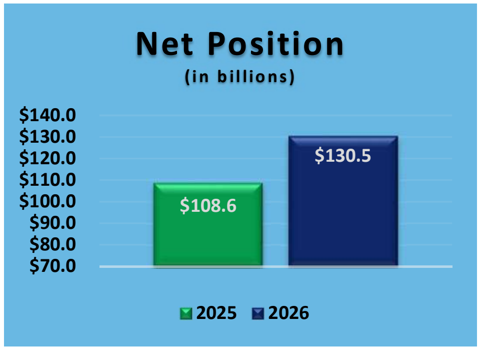
Teachers Retirement System of Georgia

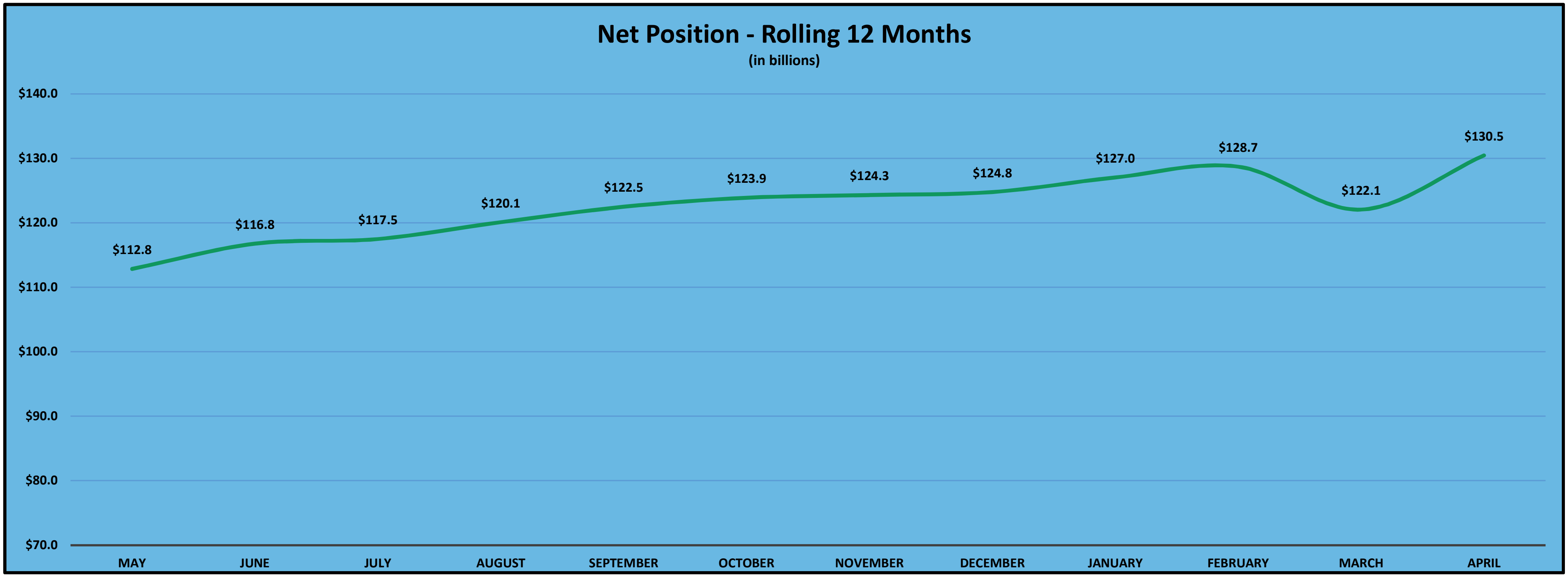
Questions?

Teachers Retirement System of Georgia
Statement of Fiduciary Net Position

	March		April	
	2026	2025	2026	2025
ASSETS				
Cash & Cash Equivalents	$ 1,012,930,642	$ 3,210,717,615	$ 1,515,891,133	$ 3,763,607,356
Receivables:				
Interest & Dividends	373,136,564	297,239,849	391,249,434	324,637,651
Contributions	304,139,007	277,173,544	315,617,894	294,648,099
Securities Lending	33,918,138	42,000,000	40,000,000	42,000,000
From Other Retirement Systems	9,209,996	1,464,271	8,856,814	758,422
From Sale of Investments	-	32,190,943	19,839,802	28,654,069
Total Receivables	720,403,705	650,068,607	775,563,944	690,698,241
Investments - at fair value:				
Bonds	30,374,922,609	26,040,665,973	30,694,374,055	25,380,953,793
Common Stocks	88,441,629,588	77,807,094,951	96,339,502,371	77,776,508,140
Private Equity	1,547,877,793	1,013,135,356	1,572,965,580	1,062,189,219
Real Estate	37,767,626	22,979,873	39,907,889	23,002,096
Total Investments	120,402,197,616	104,883,876,153	128,646,749,895	104,242,653,248
Net OPEB Asset	8,863,200	5,174,232	8,863,200	5,174,232
Capital Assets, net	3,849,047	2,235,329	3,849,047	2,235,329
Total Assets	122,148,244,210	108,752,071,936	130,950,917,219	108,704,368,406
DEFERRED OUTFLOWS OF RESOURCES	11,812,050	16,269,756	11,812,050	16,269,756
LIABILITIES				
Net OPEB Liability	-	2,196,621	-	2,196,621
Net Pension Liability	33,756,349	44,198,579	33,756,349	44,198,579
From Purchase of Investments	51,732,012	36,766,863	467,559,838	21,182,895
Accounts Payable & Other Liabilities	15,531,048	13,787,976	2,735,379	1,965,997
Total Liabilities	101,019,409	96,950,039	504,051,566	69,544,092
DEFERRED INFLOWS OF RESOURCES	7,067,048	3,570,552	7,067,048	3,570,552
NET POSITION				
Restricted for Pensions	$ 122,051,969,803	$ 108,667,821,101	$ 130,451,610,655	$ 108,647,523,518



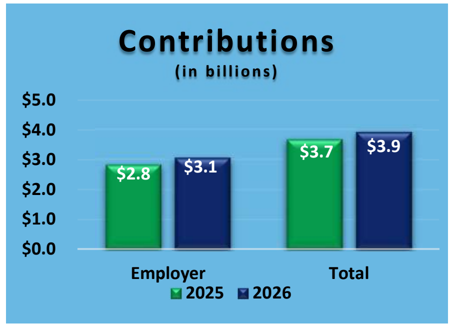


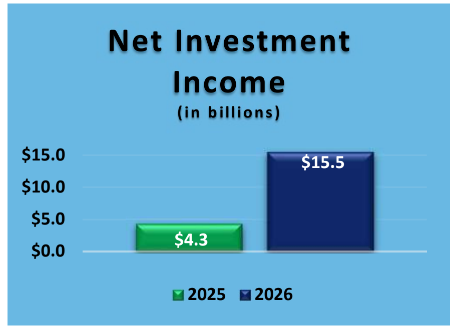


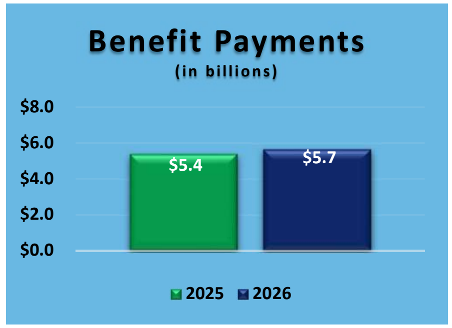
Net Position - Rolling 12 Months
(in billions)
$140.0
$130.0
$120.0
$110.0
$100.0
$90.0
$80.0
$70.0
$112.8
$116.8
$117.5
$120.1
$122.5
$123.9
$124.3
$124.8
$127.0
$128.7
$122.1
$130.5
MAY
JUNE
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL

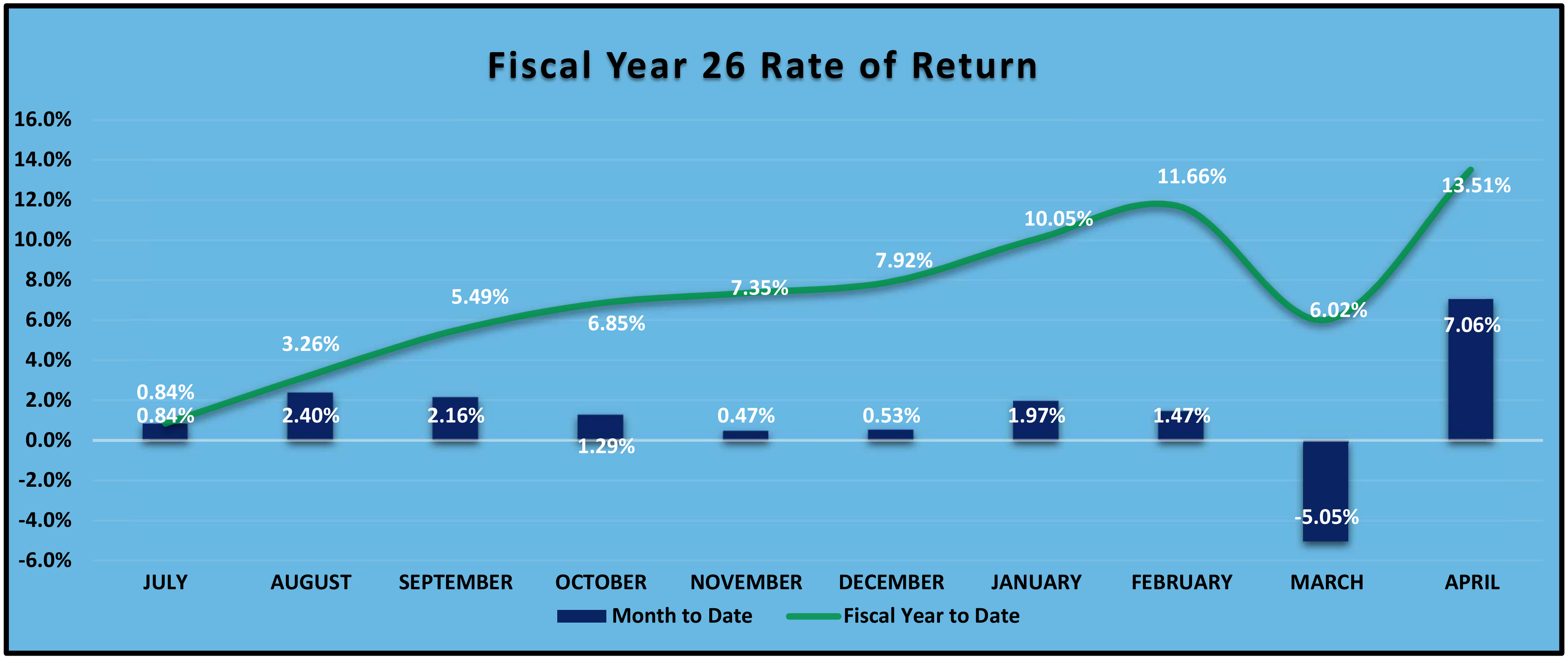
Teachers Retirement System of Georgia
Statement of Changes in Fiduciary Net Position

	March		April		Year-to-Date as of April 30,	
	2026	2025	2026	2025	2026	2025
ADDITIONS						
Contributions:						
Employer	$ 313,270,027	$ 294,375,012	$ 311,890,413	$ 289,774,497	$ 3,067,418,661	$ 2,841,498,020
Nonemployer	619,349	539,128	609,134	546,413	5,843,327	5,400,622
Member	89,181,464	87,570,475	89,218,565	86,908,380	863,863,839	841,917,019
Total Contributions	403,070,840	382,484,615	401,718,112	377,229,290	3,937,125,827	3,688,815,661
State Revenue Appropriations:						
Local System - Floor	252	252	252	252	2,772	2,996
Local System - COLA	1,796	4,628	1,796	4,628	19,504	50,243
Total State Revenue Appropriations	2,048	4,880	2,048	4,880	22,276	53,239
Investment Income:						
Net Increase/(Decrease) in Fair Value of Investments	(6,746,270,182)	(3,794,694,023)	8,359,457,517	(46,844,144)	13,530,842,537	2,470,746,689
Interest, Dividends and Other	276,032,592	248,761,544	217,646,540	198,921,277	2,042,528,173	1,881,054,455
Total Investment Income/(Loss)	(6,470,237,590)	(3,545,932,479)	8,577,104,057	152,077,133	15,573,370,710	4,351,801,144
Less Investment Expense:						
Investment Services & Fees	12,901,591	13,301,137	(47,215)	140,078	47,498,687	42,646,178
Operating	354,809	309,721	282,219	313,771	3,158,522	2,986,801
Total Investment Expense	13,256,400	13,610,858	235,004	453,849	50,657,209	45,632,979
Net Investment Income/(Loss)	(6,483,493,990)	(3,559,543,337)	8,576,869,053	151,623,284	15,522,713,501	4,306,168,165
Total Additions	(6,080,421,102)	(3,177,053,842)	8,978,589,213	528,857,454	19,459,861,604	7,995,037,065
DEDUCTIONS						
Benefit Payments	568,426,562	543,591,567	568,648,375	541,989,206	5,658,505,673	5,406,643,198
Refunds of Member Contributions	6,134,069	7,243,899	5,649,254	6,191,813	82,958,836	81,380,723
Administrative Expense	3,786,917	6,723,190	4,650,736	974,018	34,698,561	33,491,811
Total Deductions	578,347,548	557,558,656	578,948,365	549,155,037	5,776,163,070	5,521,515,732
CHANGE IN NET POSITION						
Net Increase/(Decrease)	$ (6,658,768,650)	$ (3,734,612,498)	$ 8,399,640,848	$ (20,297,583)	$ 13,683,698,534	$ 2,473,521,333





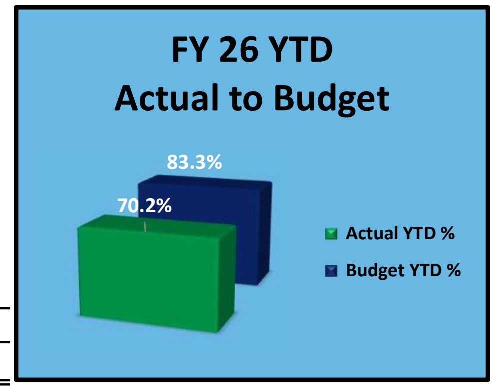




Fiscal Year 26 Rate of Return
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
-2.0%
-4.0%
-6.0%
0.84%
0.84%
3.26%
2.40%
5.49%
2.16%
6.85%
1.29%
7.35%
0.47%
7.92%
0.53%
10.05%
1.97%
11.66%
1.47%
6.02%
-5.05%
13.51%
7.06%
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
Month to Date
Fiscal Year to Date

Teachers Retirement System of Georgia
Expense Fund
Statement of Expenses & Cost Distribution

	March		April		Year-to-Date as of April 30,		Budget
	2026	2025	2026	2025	2026	2025	FY 2026
PERSONAL SERVICES:							
Employee Compensation	$ 2,485,802	$ 2,378,090	$ 2,664,141	$ 2,200,400	$ 24,241,623	$ 23,220,368	$ 34,591,394
Fringe Benefits/Other	1,573,221	1,502,060	1,525,446	1,436,877	15,382,357	14,663,155	20,244,290
Total Personal Services	4,059,023	3,880,150	4,189,587	3,637,277	39,623,980	37,883,523	54,835,684
OPERATING EXPENSES:							
Supplies & Materials	10,914	6,375	7,198	3,491	81,680	84,752	111,815
Repairs & Maintenance	505	505	116	9	2,900	3,961	12,000
Publications & Printing	19,725	192	3,284	17,846	174,999	173,691	234,000
Insurance	-	-	11,037	-	44,149	34,289	50,510
Postage	507	712	20,664	20,816	212,251	198,449	262,500
Other Operating Expense	8,950	11,644	9,931	17,978	123,773	129,871	257,300
Travel	9,044	9,928	11,800	7,696	136,104	112,525	199,350
Equipment	-	-	53	-	374,910	1,072,577	513,000
Building Maintenance	71,192	69,136	71,192	69,136	711,922	691,360	854,700
Actuarial Fees	30,881	-	4,389	-	86,887	107,324	129,220
Audit Fees	-	23,500	-	-	177,250	182,650	290,000
Legal Fees	480	7,557	9,000	10,341	38,060	68,210	115,000
Medical Fees	7,200	4,800	3,800	6,800	44,400	50,400	90,000
Temporary Help	-	-	-	-	-	-	15,000
Other Fees	15,342	2,179	20,422	1,461	128,536	88,041	146,692
IT Professional Services	49,260	70,085	79,667	55,140	695,719	652,566	1,468,228
Computer Charges	71,878	43,273	172,294	119,702	913,738	686,712	2,101,380
Telecommunications	12,751	14,747	36,302	9,911	206,160	169,946	643,000
Total Operating Expenses	308,629	264,633	461,149	340,327	4,153,438	4,507,324	7,493,695
TOTAL EXPENSES	$ 4,367,652	$ 4,144,783	$ 4,650,736	$ 3,977,604	$ 43,777,418	$ 42,390,847	$ 62,329,379
COST DISTRIBUTION:							
Teachers Retirement System	$ 3,786,917	$ 6,670,690	$ 4,650,736	$ 974,018	$ 34,686,938	$ 33,407,380	$ 47,745,271
Employees' Retirement System	120,000	(2,893,385)	-	3,003,586	7,731,599	7,874,499	13,172,108
Other Plans	460,735	367,478	-	-	1,358,881	1,108,968	1,412,000
TOTAL COST DISTRIBUTION	$ 4,367,652	$ 4,144,783	$ 4,650,736	$ 3,977,604	$ 43,777,418	$ 42,390,847	$ 62,329,379



Legislative Update
May 5, 2026

How a Retirement Bill Becomes Law

In 1st year, State Representative or Senator introduces legislation.

Legislation is assigned to Committee (House or Senate depending on the chamber from which the bill is introduced).

After the Session, Committee determines if the bill should be forwarded for actuarial study.

- If forwarded for study, legislative process continues.
- If not forwarded for study, bill dies in Committee.

In 2nd year, Committee receives actuarial study and determines if the bill should pass Committee for consideration by full House or Senate.

If bill passes one Chamber, House or Senate, the bill is then transmitted to the other Chamber for Committee assignment and recommendation.

If the bill passes both Chambers, the legislation is then sent to the Governor for his signature or veto.

The complete legislative process for retirement legislation is very detailed and is located at www.trsga.com/Legislation/.

2025-26 Biennium Session

The 2026 session of the Georgia General Assembly has come to an end on April 2, capping the second year of the 2025–2026 biennium. As a reminder, retirement bills with a fiscal impact may only be introduced in the first year of the biennium but may be acted upon in the second. Fiscal retirement bills passed this session take effect no earlier than July 1, 2026, due to constitutional requirements that new retirement liabilities be fully funded in the year enacted.

The Georgia Constitution contains several provisions relating to retirement legislation, which require that retirement bills be treated differently from other legislation. Any bill that creates a fiscal impact on a public retirement system such as TRS must be fully funded in the year it is enacted. TRS operates under a "pay as you work" model in which employees and employers contribute monthly to pre-fund future retirement benefits. Because of this structure, any legislation that increases the system's liabilities must include the necessary funding upfront to ensure long-term financial stability.

The following is a brief summary of House bills (HB) and Senate bills (SB) that were introduced during the session:

HB 372 allows local school systems to designate high-need subject areas and extends the full-time rehiring of TRS retirees through June 30, 2030, while HB 599 similarly extends full-time rehiring through 2030 for retirees with at least 30 years of service in high-need areas designated by the Department of Education. HB 773 permits certain PSERS-eligible employees to make a one-time, irrevocable election to join TRS instead of PSERS, without transferring prior service, and HB 873 authorizes the Department of Education to employ TRS retirees without suspending benefits or granting additional service credit.

SB 150 expands the return-to-work program, maintainig the 30-year service requirement and allows the public school system to determine high-need areas, while SB 209 allows certain PSERS-eligible employees to elect TRS membership subject to service-based rules and funding.

SR 237 encourages collaboration among state education agencies, including TRS, to address educator recruitment and retention challenges, and HR 1582 creates a House study committee to examine compensation and retention issues affecting veteran teachers.

Supporting Legislation

If you are interested in expressing your support for legislation currently being considered, please contact your State Representative or Senator, as the Legislature is responsible for enacting Georgia law. Please visit www.legis.ga.gov for more information.

Legislation

Please see the following for a summary of legislation that has been introduced that could affect TRS.

HB 372 removes the requirement that RESAs designate high-need subject areas and authorizes local school systems to make those determinations. It extends eligibility for full-time reemployment of TRS retirees until June 30, 2030.
The bill passed the House unanimously on February 24, 2026, and was read and referred in the Senate on February 25, 2026; had "hearing only" in Senate Retirement Committee on March 10, 2026; no action taken.

HB 599 similarly extends, through June 30, 2030, the ability of public-school systems to employ certain TRS beneficiaries in full-time teaching roles. Unlike HB 372, this bill retains the requirement that high-need areas be identified annually by the Georgia Department of Education in consultation with the Professional Standards Commission. It applies specifically to retired educators with at least 30 years of creditable service.
The bill remained in the House Retirement Committee, with no 2026 movement recorded.

HB 773 would allow certain employees who would otherwise be required to participate in the Public School Employees Retirement System (PSERS) to instead make a one-time, irrevocable election to join TRS. The bill does not permit the transfer of previous PSERS service into TRS and sets out special rules for individuals based on whether they have more or less than 10 years of PSERS service.
The bill remained in the House Retirement Committee, with no activity beyond March 2025 recorded.

HB 873 authorizes the Georgia Department of Education to employ TRS beneficiaries while allowing them to continue receiving their monthly retirement benefit, with the stipulation that no additional creditable service is earned and no recalculation of benefits occurs after service ends.
The bill was last acted upon in March 2025 and remained in the House Retirement Committee.

SB 150 extends the full-time return-to-work program provisions for classroom teachers through June 30, 2030, maintains the required 30 years of creditable service and one year break in service to work full-time in retirement, allows the highest-need area requirements to be determined by each public school system rather than each RESA, and permits the subject areas of Math, English, Science, Special Education, and CTAE for return to work statewide.
It passed both the House and Senate and was signed into law by Governor Kemp on May 5, 2026.

SB 209 allows certain employees who would normally enter the Public School Employees Retirement System (PSERS) to make a one-time, irrevocable election to join the Teachers Retirement System (TRS) instead. The bill prohibits transferring prior PSERS service into TRS and establishes rules based on years of service:

- Employees with 10+ years of PSERS service may withdraw contributions or leave them in place and retain vested rights
- Employees with less than 10 years must withdraw their accumulated contributions

The option applies both to current PSERS members as of September 1, 2026, and to newly hired employees after September 2, 2026. The bill becomes effective July 1, 2026, contingent on concurrent funding.
SB 209 was favorably reported by substitute on March 3, 2026, and received its Second Reading in the Senate on March 4, 2026. No further movement recorded.

Legislative Update
May 5, 2026

Legislation

Please see the following for a summary of legislation that has been introduced that could affect TRS.

SR 237 is a non-binding resolution urging collaboration among major state education agencies—including TRS, the Professional Standards Commission, the Department of Education, the Technical College System of Georgia, and others—to develop coordinated strategies to address Georgia's educator workforce challenges. These recommended strategies include:

- Improving teacher recruitment pipelines
- Expanding mentorship and professional development opportunities
- Increasing public awareness of educator benefits, including TRS
- Strengthening teacher and school leader retention initiatives

The resolution passed the Senate unanimously on April 2, 2025.

HR 1582 proposes the creation of a House Study Committee on Veteran Teacher Compensation to examine compensation challenges faced by educators with more than two decades of service. The resolution cites concerns such as the absence of salary step increases beyond 21 years at the state level, variation in local supplementation, and statewide teacher retention issues. It also notes TRS data indicating that the average length of service is currently 25.5 years, short of the traditional 30-year full-retirement threshold.

The committee would be tasked with analyzing compensation structures, reviewing recommendations such as the Georgia Roundtable's proposal for an additional salary step at Year 28, and identifying cost-effective strategies to retain veteran educators.

The resolution passed unanimously in the House Special Rules Committee on March 12, 2026.

Maximum Percentage Increase for Two-Year Average Salary
Fiscal Year 2027

Georgia law limits the amount of salary increases that can be used to calculate retirement benefits for TRS members whose current date of membership is on or after July 1, 1984. O.C.G.A. § 47-3-120(d) outlines the method of determining these salary increases as:

"No more than two increases in compensation granted during the two consecutive years on which average compensation is based under paragraph (2) of subsection (a) of this Code section shall be considered in the computation of such average compensation. For those members who are not employees of the Board of Regents of the University System of Georgia, that part of any such increase in compensation which exceeds a percentage equal to the average annual increase in compensation granted to classroom teachers by appropriations of the General Assembly, plus 2 1/2 percent of compensation received at the time the annual increase granted by appropriations becomes effective, shall not be considered in the computation of average compensation. For those members who are employees of the Board of Regents of the University System of Georgia, that part of any such increase in compensation which exceeds a percentage equal to the average annual increase in compensation granted to academic personnel employed by said board of regents by appropriations of the General Assembly, plus 2 1/2 percent of compensation received at the time the annual increase granted by appropriations becomes effective, shall not be considered in the computation of average compensation."

The Board of Regents has certified that the Georgia General Assembly appropriated a 0.00**%** increase for employees of the Board of Regents for FY 2027.

The Department of Education approved an average increase for classroom teachers of 2.36% for FY 2027. This amount represents the increase to the base salary.

Based on Georgia law and the information submitted by the Georgia Department of Education and the Board of Regents, the salary increases allowable for the calculation of retirement for FY 2026 should be adopted as follows:

Employees of the Board of Regents	2.50%	(0.00% + 2.50%)
All Others	4.86%	(2.36% + 2.50%)

BOARD OF REGENTS OF
THE UNIVERSITY SYSTEM OF GEORGIA

TRACEY COOK
CHIEF FISCAL OFFICER
270 WASHINGTON STREET, S.W.
ATLANTA, GEORGIA 30334

404-962-3233
TRACEY.COOK@USG.EDU

May 1, 2026

Jason L. Branch
Executive Director
Teachers Retirement System of Georgia
Two Northside 75, Suite 100
Atlanta, GA 30318

Dear Dr. Branch:

This letter will serve to inform you that for FY 2027, the average salary increase granted to eligible employees based on appropriations of the General Assembly will be 0%.

Please contact me at (404) 962-3233 if you need additional information.

Sincerely,

Tracey Cook

Tracey Cook
Chief Fiscal Officer

cc: Dr. Sonny Perdue, Chancellor
Teresa MacCartney, Chief Operating Officer
Karin Elliott, Vice Chancellor for Human Resources
Julie Harris, Vice Chancellor for Shared Services

May 1, 2026

Dr. Jason L. Branch
Executive Director
TEACHERS RETIREMENT SYSTEM OF GEORGIA
Two Northside 75, Suite 100
Atlanta, Georgia 30318

Dear Dr. Branch,

In response to your letter dated March 26, 2026, requesting assistance, the average amount of salary increases proposed for classroom teachers for FY 2027 is 2.36%. Currently, Governor Kemp has not signed HB 974 (FY27 Appropriation Act). Therefore, this letter, and the attached FY27 State Salary Schedule, are unofficial until the State Board approval.

I am also enclosing a copy of the unofficial FY 2027 State Salary Schedule.

I hope this information is helpful. If you need further information, please let me know.

Regards,

Rusk Roam, CFO
Office of Finance and Business Operations

Enclosure

cc: Richard Woods, State Superintendent of Schools

Agenda Item 6

Teachers Retirement System of Georgia Valuation Results as of June 30, 2025

May 13, 2026

Ed Koebel, EA, FCA, MAAA
Chief Executive Officer

Micki Taylor, ASA, EA, FCA, MAAA
Consulting Actuary

CavMac
Actuarial Consulting Services

About CavMac

Your CavMac Team

Ed Koebel
EA, FCA, MAAA
Chief Executive Officer

Micki Taylor
ASA, EA, FCA, MAAA
Consulting Actuary

Devon von Miller
Pursuing ASA
Senior Actuarial Analyst

Brooke Roth
Pursuing ASA
Actuarial Analyst

Highlights for 2025 Valuation

01

ASSET RETURNS

For fiscal year ending 2025, market returns were positive 12.10% (14.50% for FYE 2024)

- 5-year smoothing return was 8.64%, more than assumed rate of 6.90%

02

SALARY EXPERIENCE

5.6% increase in average payroll, third straight year of similar experience

03

FUNDED RATIO

Funded Ratio based on AVA increased from 77.9% to 78.7%

- Prior Year Contribution Requirement was maintained at 28.32% of payroll

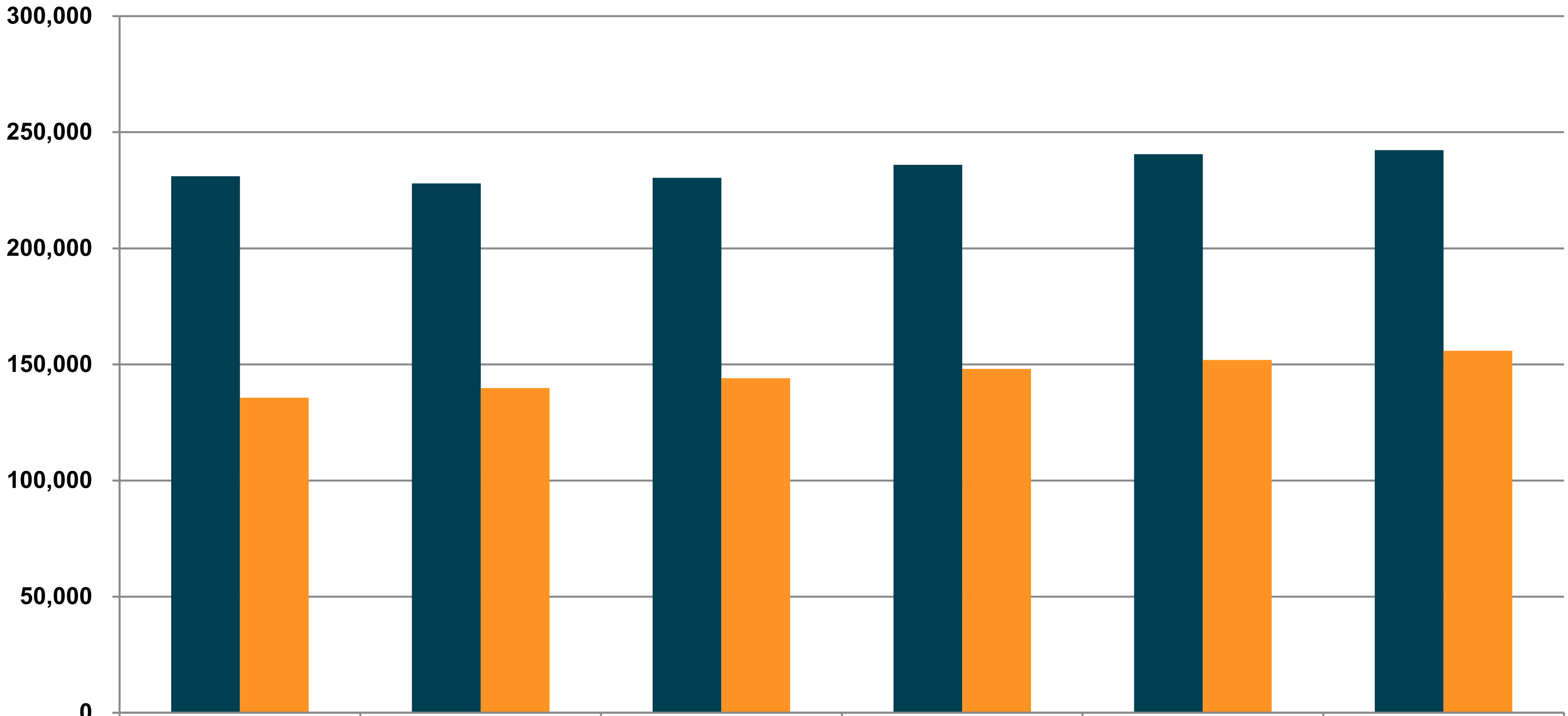
04

DEMOGRAPHIC EXPERIENCE

0.7% increase in active membership, 4th straight year with an increase

Historical Membership Data

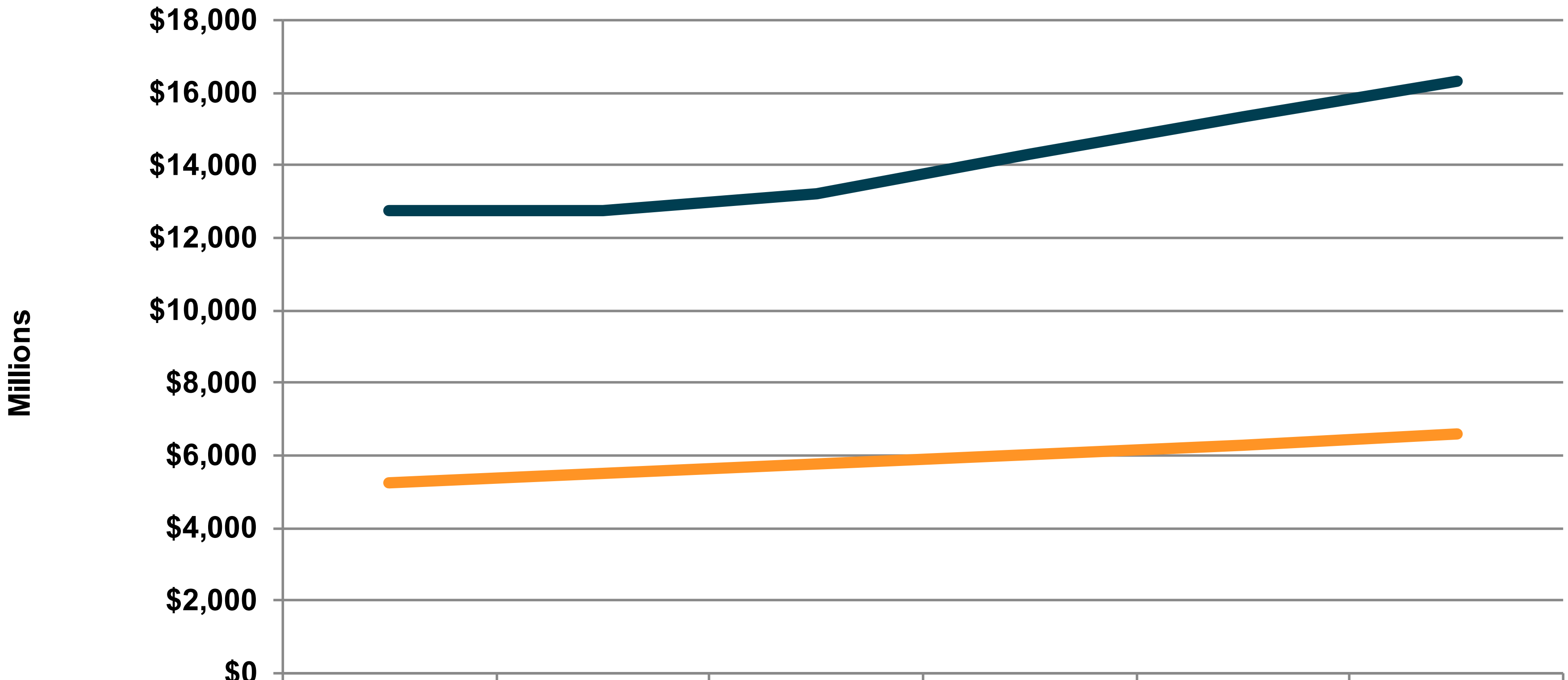
CavMac
Actuarial Consulting Services



	2020	2021	2022	2023	2024	2025
Active Members	231,032	227,926	230,326	235,920	240,561	242,260
Retirees & Beneficiaries	135,678	139,865	144,043	148,101	151,924	155,945
Actives to Retired Ratio	1.70	1.63	1.60	1.59	1.58	1.55

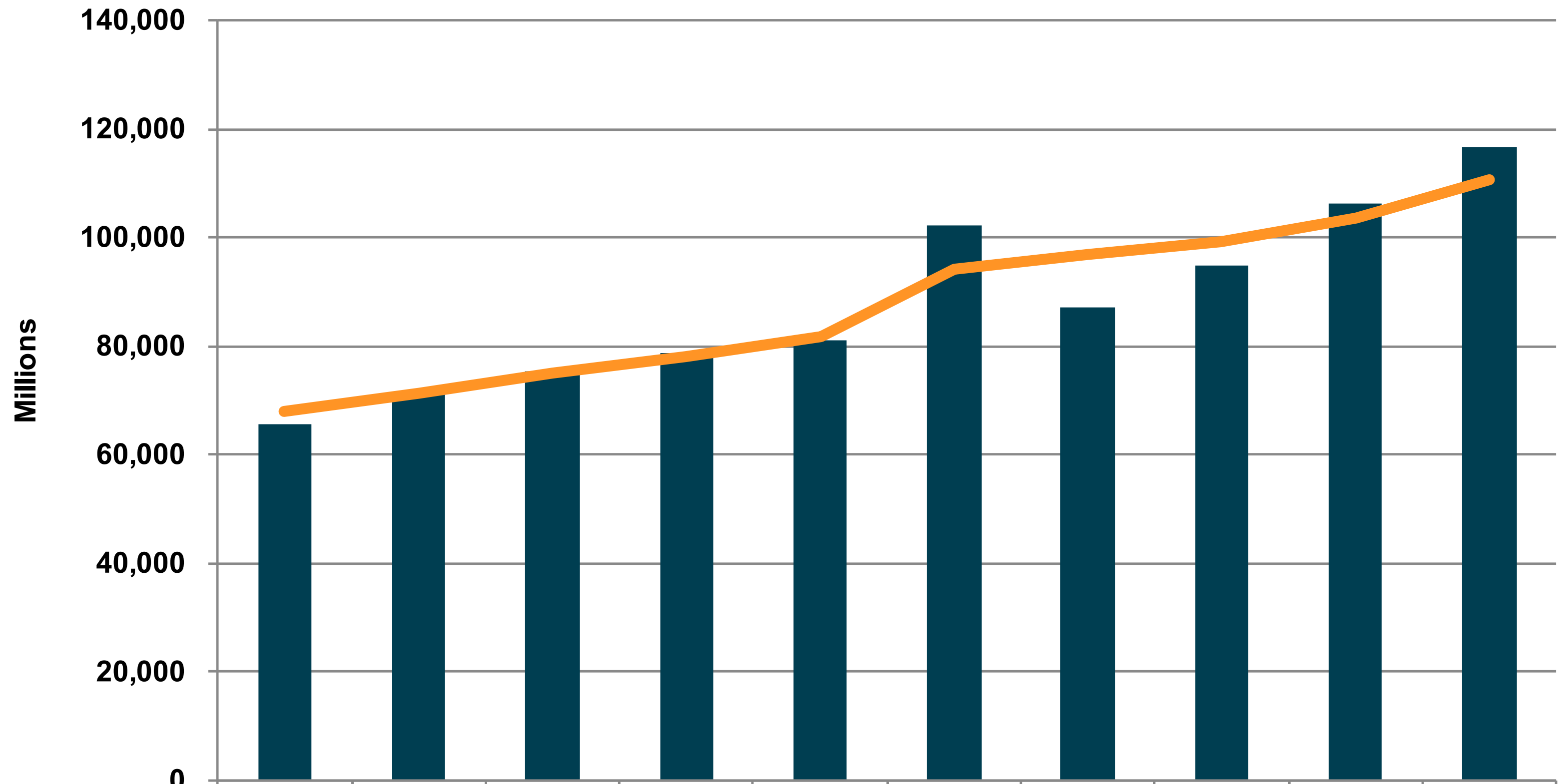
Historical Payroll vs Benefits

CavMac
Actuarial Consulting Services



	2020	2021	2022	2023	2024	2025
Total Annual Payroll	$12,737	$12,729	$13,224	$14,306	$15,353	$16,324
Total Benefits	$5,253	$5,500	$5,760	$6,027	$6,297	$6,592
Benefits as % of Payroll	41.2%	43.2%	43.6%	42.1%	41.0%	40.4%

Market and Actuarial Asset Values



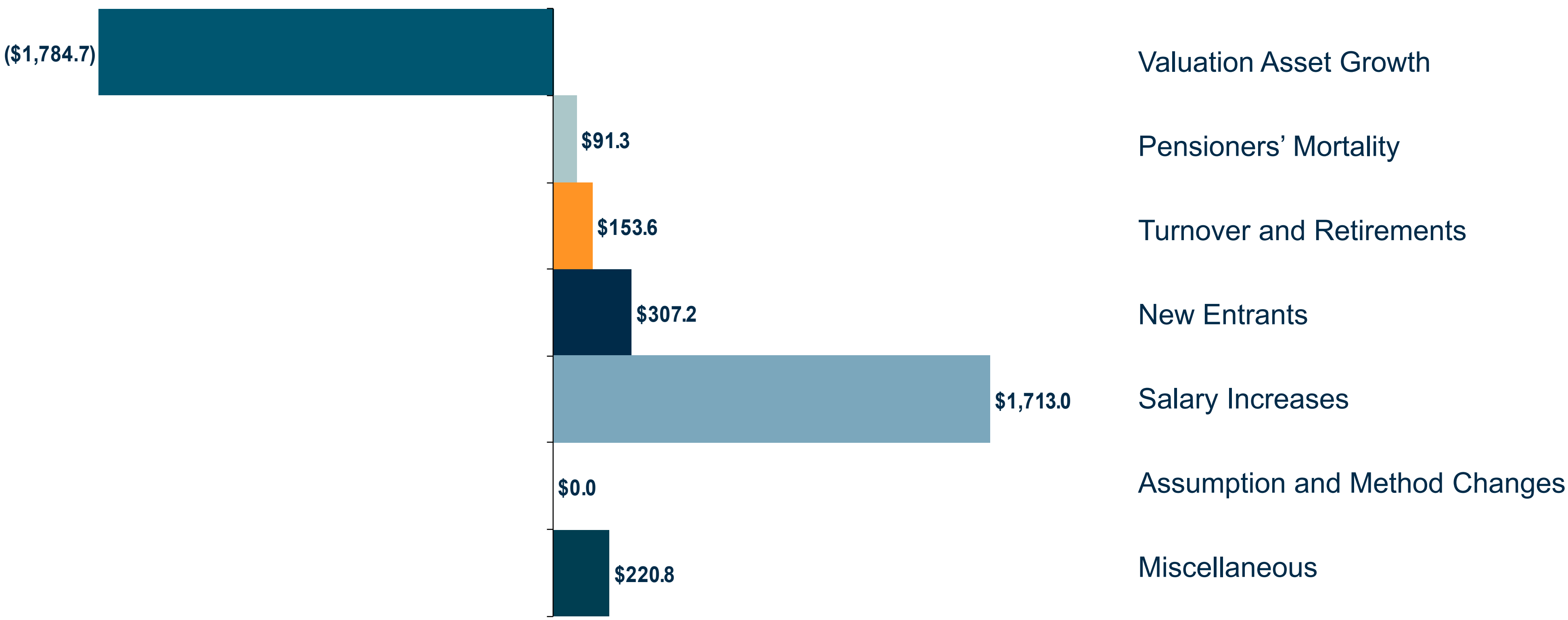
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Market Value of Assets	65,552	71,341	75,533	78,789	81,162	102,147	87,123	94,991	106,174	116,768
Actuarial Value of Assets	68,162	71,213	75,024	78,127	81,633	94,049	96,868	99,313	103,757	110,506
Ratio of Actuarial to Market	104.0%	99.8%	99.3%	99.2%	100.6%	92.1%	111.2%	104.5%	97.7%	94.6%

(Gain)/Loss Analysis

CavMac Actuarial Consulting Services

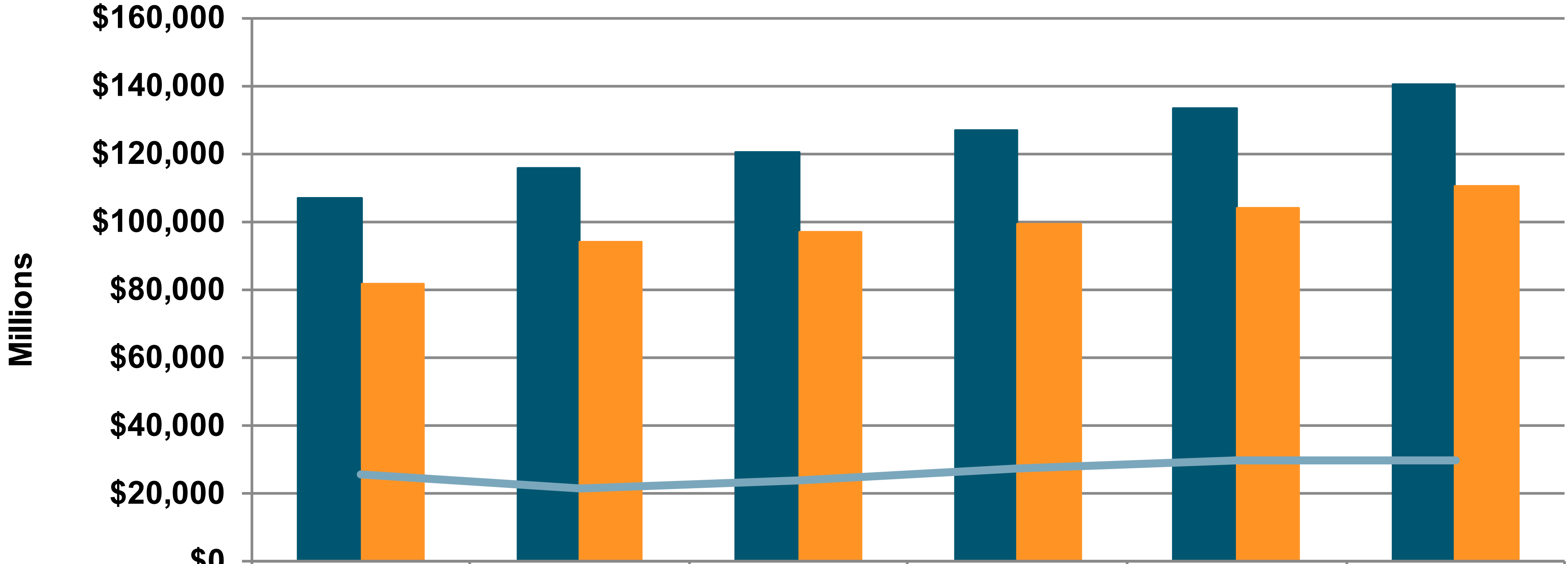
($ in Millions)

Gains | **Losses** | **Source**



Valuation Results

CavMac
Actuarial Consulting Services



	2020	2021	2022	2023	2024	2025
Actuarial Liability	$107,189	$115,704	$120,491	$126,966	$133,265	$140,430
Actuarial Assets	$81,633	$94,049	$96,868	$99,313	$103,757	$110,506
UAAL	$25,556	$21,655	$23,623	$27,653	$29,508	$29,924
Funded Ratio	76.2%	81.3%	80.4%	78.2%	77.9%	78.7%

Unfunded Actuarial Accrued Liability

(Dollar amounts in thousands)

	Initial Balance UAAL	Remaining Balance UAAL	Remaining Amortization Period	Amortization Payment
Transitional 6/30/2021	$21,654,597	$21,142,421	17.9	$1,758,070
2022 Incremental	2,027,640	2,025,771	22.0	147,734
2023 Incremental	4,130,526	4,135,011	23.0	293,609
2024 Incremental	1,999,594	2,002,278	24.0	138,670
2025 Incremental	618,388	618,388	25.0	41,839
Total UAAL		$29,923,869		$2,379,922
Amortization payment adjusted for timing				$2,300,552
Blended amortization period (years)				19.2
Estimated payroll				$17,025,502
UAAL contribution rate				13.51%

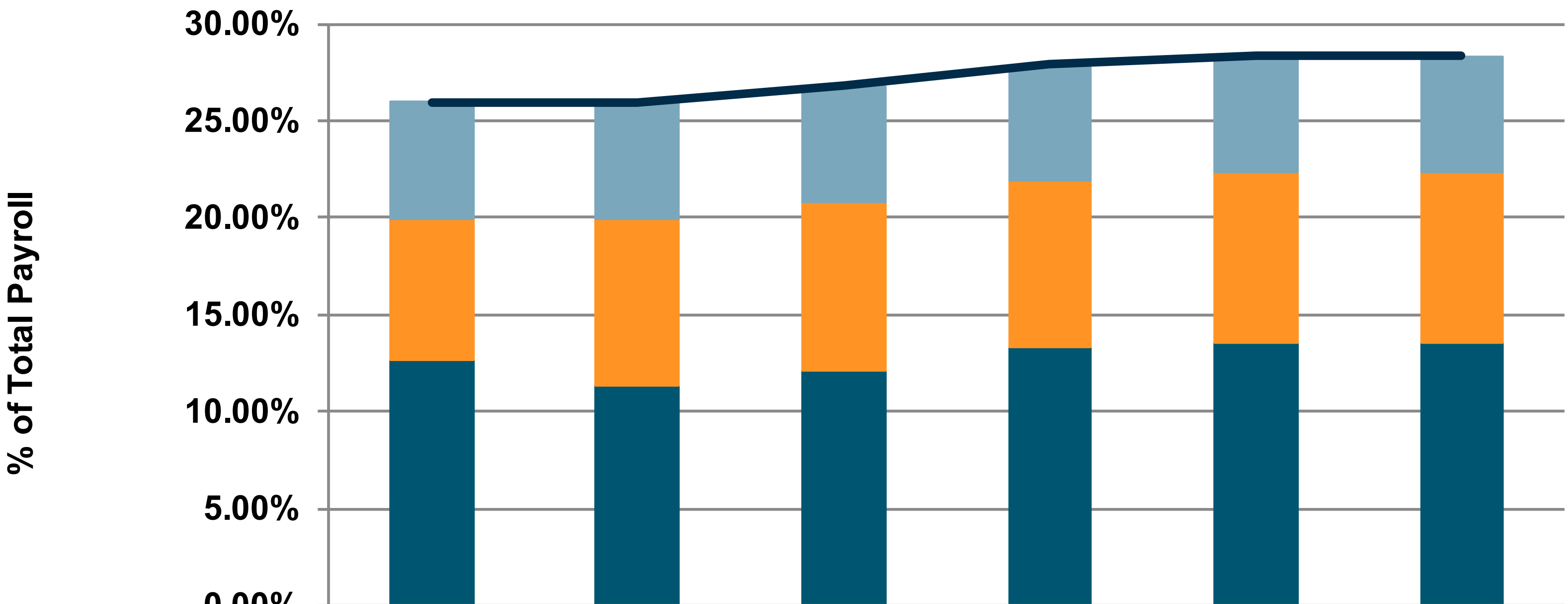
Contribution Rates

Comparison of Recommended Contribution Rates		
Valuation Date	June 30, 2025	June 30, 2024
Fiscal Year End	June 30, 2028	June 30, 2027
Employee Rate	6.00%	6.00%
Employer Rate	22.32%	22.32%

Based on the June 30, 2025 actuarial valuation, we recommend a contribution rate of 6.00% of compensation for employees and an employer contribution rate of 22.32% of annual payroll

Recommended rates are sufficient to support the benefits of the System in accordance with the Board's funding policy and may pay down UAAL faster than originally expected

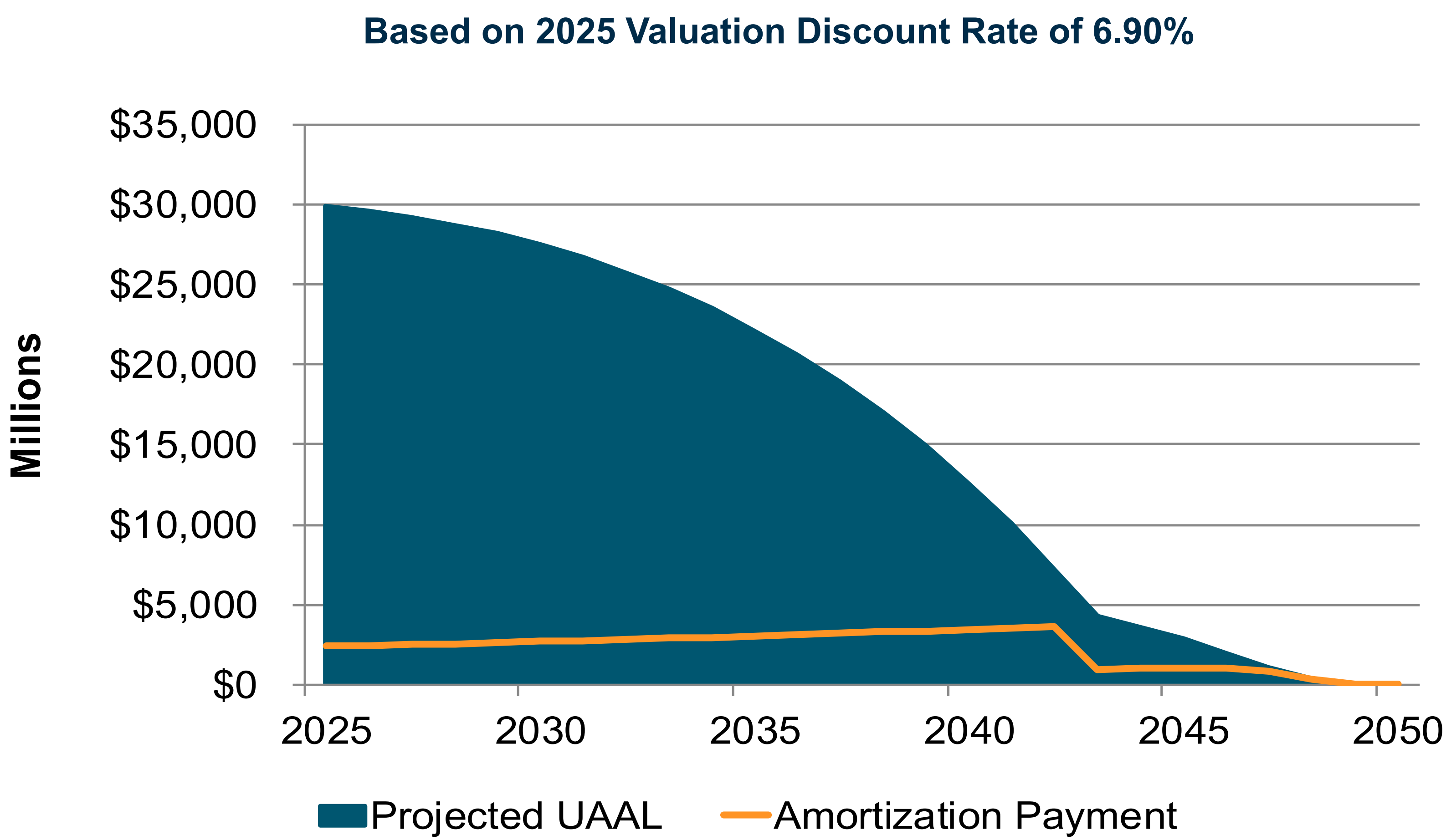
Contribution Rates



	2020	2021	2022	2023	2024	2025
Member Contributions	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Employer Normal Cost Rate	7.35%	8.66%	8.65%	8.62%	8.81%	8.81%
UAAL Amortization Rate	12.63%	11.32%	12.13%	13.29%	13.51%	13.51%
Total Contribution Rate	25.98%	25.98%	26.78%	27.91%	28.32%	28.32%

Progress Toward 100% Funding

CavMac
Actuarial Consulting Services



Progress Toward 100% Funding

($ in thousands)

Year	Projected UAAL	Payments
2025	$ 29,923,869	$ 2,379,922
2026	29,608,695	2,439,420
2027	29,212,274	2,500,406
2028	28,727,516	2,562,916
2029	28,146,800	2,626,989
2030	27,461,942	2,692,663
2031	26,664,152	2,759,981
2032	25,743,999	2,828,979
2033	24,691,356	2,899,703
2034	23,495,357	2,972,197
2035	22,144,341	3,046,501
2036	20,625,800	3,122,664
2037	18,926,316	3,200,730
2038	17,031,502	3,280,747
2039	14,925,927	3,362,767
2040	12,593,049	3,446,836
2041	10,015,133	3,533,006
2042	7,173,172	3,621,332
2043	4,256,683	969,876
2044	3,580,519	994,122
2045	2,833,452	1,018,976
2046	2,009,985	1,044,450
2047	1,104,224	816,227
2048	364,188	318,527
2049	70,790	75,675
2050	0	0
		$ 60,754,715


THANK
YOU

April 8, 2026

Dr. Jason Branch
Executive Director
Teachers Retirement System of Georgia
Suite 100, Two Northside 75
Atlanta, GA 30318

Dear Dr. Branch:

Enclosed are 20 bound copies of the "Teachers Retirement System of Georgia Actuarial Valuation Report Prepared as of June 30, 2025."

The valuation indicates that employer contributions at the rate of 22.32% of compensation for the fiscal year ending June 30, 2028 are sufficient to support the benefits of the System. The valuation takes into account the effect of all amendments to the System enacted through the 2025 Session of the General Assembly.

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

Respectfully submitted,

Edward J. Koebel

Edward J. Koebel, EA, FCA, MAAA
Chief Executive Officer

Micki R. Taylor

Micki R. Taylor, ASA, EA, FCA, MAAA
Consulting Actuary

Enclosure

Teachers Retirement System of Georgia

Actuarial Valuation Report

Prepared as of June 30, 2025

CavMac
Actuarial Consulting Services

April 8, 2026

Board of Trustees
Teachers Retirement System of Georgia
Suite 100, Two Northside 75
Atlanta, GA 30318

Members of the Board:

Section 47-3-23 of the law governing the operation of the Teachers Retirement System of Georgia 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, 2025. The report indicates that annual employer contributions at the rate of 22.32% of compensation for the fiscal year ending June 30, 2028 are sufficient to support the benefits of the System.

In our opinion, the valuation is complete and accurate and the incorporated 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 2025 Session of the General Assembly.

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. The valuation results depend on the integrity of the data. If any of the information is inaccurate or incomplete, our results may be different and our calculations may need to be revised. The complete cooperation of the Retirement System staff in furnishing materials requested is hereby acknowledged with appreciation. 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.

The System is funded on an actuarial reserve basis. The actuarial assumptions recommended by the actuary and adopted by the Board are both individually and, 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 and financial reporting purposes meet the parameters set by Actuarial Standards of Practice (ASOPs). 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 amortized as a level percent of payroll in accordance with the funding policy adopted by the Board.

The Plan and the employers are required to comply with the financial reporting requirements of GASB Statements No. 67 and 68. The necessary disclosure information is provided in separate supplemental reports.

We have provided the following information and supporting schedules for the Actuarial Section of the Annual Comprehensive Annual Report:

- Summary of Actuarial Assumptions and Methods
- Schedule of Active Members
- Schedule of Retirees and Beneficiaries Added to and Removed from Rolls
- Schedule of Funding Progress
- Analysis of Financial Experience

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 reasonably anticipated.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.

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.

The actuarial computations presented in this report are for purposes of determining the recommended funding amounts for the System. Use of these computations for purposes other than meeting these requirements may not be appropriate.

This is to certify that Ed Koebel and Micki Taylor are members of the American Academy of Actuaries and have 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 yours,

Edward J. Koebel

Micki R. Taylor

Edward J. Koebel, EA, FCA, MAAA
Chief Executive Officer

Micki R. Taylor, ASA, EA, FCA, MAAA
Consulting Actuary

TABLE OF CONTENTS

Section	
I	Summary of Principal Results ... 1
II	Membership ... 3
III	Assets ... 4
IV	Comments on Valuation ... 5
V	Contributions Payable by Employers ... 7
VI	Accounting Information ... 8
VII	Experience ... 10
VIII	Risk Assessment ... 13
Schedule	
A	Valuation Balance Sheet ... 17
B	Development of Actuarial Value of Assets ... 18
C	Summary of Receipts and Disbursements ... 19
D	Actuarial Assumptions and Methods ... 20
E	Actuarial Cost Method ... 25
F	Funding Policy ... 26
G	Amortization of UAAL ... 29
H	Main Plan Provisions ... 34
I	Tables of Membership Data ... 40
J	Comprehensive Financial Report Schedules ... 43

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below (all dollar amounts are in thousands):

Valuation Date	June 30, 2025	June 30, 2024
Discount Rate	**6.90%**	**6.90%**
Number of active members	242,260	240,561
Annual earnable compensation	$ 16,324,339	$ 15,352,507
Number of retired members and beneficiaries	155,945	151,924
Annual allowances	$ 6,592,127	$ 6,297,139
Assets:		
Fair value	$116,767,912	$106,174,001
Actuarial value	110,505,732	103,756,747
Unfunded actuarial accrued liability	$ 29,923,869	$ 29,508,498
Blended amortization period (years)	19.2	20.6
Funded ratio based on Actuarial Value of Assets	78.7%	77.9%
Contributions for Fiscal Year Ending	**June 30, 2028**	**June 30, 2027**
Member contribution rate	6.00%	6.00%
Actuarially Determined Employer Contribution Rates (ADEC)		
Normal*	8.81%	8.81%
Unfunded actuarial accrued liability	13.51	13.51
Total	22.32%	22.32%

* The normal contribution includes administrative expenses of 0.15% of payroll.

2. The valuation takes into account the effect of amendments of the System enacted through the 2025 session of the General Assembly. The major benefit and contribution provisions of the System as reflected in the current valuation are summarized in Schedule H. There have been no changes since the previous valuation.

3. Comments on the valuation results as of June 30, 2025 are given in Section IV and further discussion of the employer contribution levels is provided in Section V.

4. Schedule D of this report outlines the full set of actuarial assumptions and asset method used to prepare the current valuation. There have been no changes since the previous valuation.

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

6. The funded ratio shown in the Summary of Principal Results is the ratio of the actuarial value of assets to the actuarial accrued liability and would be different if based on fair value of assets. The funded ratio is an indication of progress in funding the promised benefits. Since the ratio is less than 100%, there is a need for additional contributions toward payment of the unfunded actuarial accrued liability. In addition, this funded ratio does not have any relationship to measuring sufficiency if the plan had to settle its liabilities.

SECTION II - MEMBERSHIP

1. The data we received for the 2025 valuation was provided by the Retirement System. While not verifying the data at its source, we performed tests for consistency and reasonableness.

2. The following table shows the number of teachers and their annual earnable and average compensation as of June 30, 2025 on whose account benefits may be payable under the Retirement System. The annual compensation for each active member was provided by the Retirement System and was used without adjustment. A history of active membership is shown in Schedule J.

THE NUMBER AND ANNUAL EARNABLE AND AVERAGE COMPENSATION OF ACTIVE MEMBERS AS OF JUNE 30, 2025

TOTAL NUMBER	ANNUAL COMPENSATION ($1,000's)	AVERAGE COMPENSATION
242,260	$16,324,339	$67,384

3. The following table shows the number of annuitants on the roll as of June 30, 2025, together with the amount of their annual retirement allowances payable under the System as of that date.

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF ANNUITANTS ON THE ROLL AS OF JUNE 30, 2025

GROUP	NUMBER	ANNUAL RETIREMENT ALLOWANCES ($1,000's)
Service Retirements	139,978	$ 6,134,384
Disability Retirements	4,555	121,896
Beneficiaries of Deceased Active and Retired Members	11,412	335,847
Total	155,945	$ 6,592,127

4. In addition, the results of the valuation include liabilities for 148,539 terminated employees not yet receiving benefits.

SECTION III - ASSETS

1. The retirement law provides for the maintenance of two funds for the purpose of recording the financial transactions of the System; namely, the Annuity Savings Fund and the Pension Accumulation Fund.

   (a) ***Annuity Savings Fund***

   The Annuity Savings Fund is the fund to which are credited all contributions made by members together with regular interest thereon. When a member retires, or if a death benefit allowance becomes payable to the member's beneficiary, the member's accumulated contributions are transferred from the Annuity Savings Fund to the Pension Accumulation Fund. The annuity which these contributions provide is then paid from the Pension Accumulation Fund. On June 30, 2025, the value of assets credited to the Annuity Savings Fund amounted to $13,033,496,000.

   (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 and by the State for members of local retirement funds are credited. All retirement allowance and death benefit allowance payments are disbursed from this fund. Upon the retirement of a member, or upon death if a death benefit allowance is payable, the member's accumulated contributions are transferred from the Annuity Savings Fund to this fund to provide the annuity portion of the allowance. On June 30, 2025, the fair value of assets credited to the Pension Accumulation Fund amounted to $103,734,416,000.

2. As of June 30, 2025, the total fair value of assets amounted to $116,767,912,000 as reported by the auditor of the System. The actuarial value of assets as of June 30, 2025 was determined to be $110,505,732,000 based on a 5-year smoothing of investment gains and losses. Schedule B shows the development of the actuarial value of assets.

3. 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 fair 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, 2025 (all amounts are in thousands).

2. The valuation balance sheet shows that the System has total liabilities of $158,798,419, of which $79,378,843 is for the prospective benefits payable on account of present retired members and beneficiaries of deceased members and $79,419,576 is for the prospective benefits payable on account of present active and inactive members and members entitled to deferred vested benefits. Against these liabilities, the System has total present assets for valuation purposes of $110,505,732 as of June 30, 2025. The difference of $48,292,687 between the total liabilities and the total present assets represents the present value of contributions to be made in the future. Of this amount, $7,562,647 is the present value of future contributions expected to be made by members to the Annuity Savings Fund, and the balance of $40,730,040 represents the present value of future contributions payable by the employer.

3. The employer contributions to the System consist of normal contributions and unfunded actuarial accrued liability (UAAL) contributions. The valuation indicates that employer normal contributions at the rate of 8.81% of payroll are required, in addition to member contributions, to provide the benefits of the System for the average new member.

4. Prospective normal contributions, excluding administrative expenses, have a present value of $10,806,171. When this amount is subtracted from $40,730,040, which is the present value of the total future contributions to be made by the employer, there remains $29,923,869 as the amount of future UAAL contributions.

   The funding policy of the Board, as shown in Schedule F, provides that the UAAL as of June 30, 2021 (Transitional UAAL) will be amortized as a level percent of pay over a closed period equal to an amortization period not to exceed 23 years as of June 30, 2021. In each subsequent valuation all benefit changes, assumption and method changes and experience gains and/or losses that have occurred since the previous valuation will determine a New Incremental UAAL. Each New Incremental UAAL will be amortized as a level percent of payroll over a closed 25-year period from the date it is established.

6. The total UAAL contribution rate is 13.51% of payroll, determined in accordance with the Board's funding policy. The UAAL contribution rate has been calculated on the assumption that the aggregate amount of the accrued liability contribution will increase by 2.50% each year.

7. Schedule G of this report shows the amortization schedules for the Transitional UAAL and New Incremental UAALs.

8. The following table shows the components of the total UAAL and the derivation of the UAAL contribution rate in accordance with the funding policy:

TABLE 4
TOTAL UAAL AND UAAL CONTRIBUTION RATE
(Dollar amounts in thousands)

	INITAL UAAL	REMAINING UAAL	REMAINING AMORTIZATION PERIOD (YEARS)	AMORTIZATION PAYMENT
Transitional 6/30/2021	$21,654,597	$21,142,421	17.9	$1,758,070
2022 Incremental	2,027,640	2,025,771	22.0	147,734
2023 Incremental	4,130,526	4,135,011	23.0	293,609
2024 Incremental	1,999,594	2,002,278	24.0	138,670
2025 Incremental	618,388	618,388	25.0	41,839
Total UAAL		$29,923,869		$2,379,922
Amortization payment adjusted for timing				$2,300,552
Blended amortization period (years)				19.2
Estimated payroll				$17,025,502
UAAL contribution rate				13.51%

Section V - Contributions Payable by Employers

1. The Teachers Retirement System funding policy provides for periodic employer contributions at rates which, expressed as a percent of annual covered payroll, are sufficient to provide resources to pay benefits when due without being increased for future generations of taxpayers.

2. The retirement law provides that the contributions of employers shall be a percentage of the compensation of active members consisting of a normal contribution rate and an unfunded actuarial accrued liability (UAAL) contribution rate as determined by actuarial valuation.

3. Normal contributions include 0.15% of compensation that is required to meet the expenses of administering the System.

4. Based on the total employer contribution rate of 22.32% of payroll, the UAAL contribution rate is 13.51% of payroll, which will amortize the UAAL in accordance with the Board's funding policy.

5. The following table summarizes the employer contribution rates, which were determined by the June 30, 2025 valuation and are recommended for use.

ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION RATES (ADEC)
FOR FISCAL YEAR ENDING JUNE 30, 2028

CONTRIBUTION	PERCENTAGE OF ACTIVE MEMBERS' COMPENSATION
Normal	8.81%
Unfunded Actuarial Accrued Liability	13.51
Total	22.32%

SECTION VI - ACCOUNTING INFORMATION

The information required under Governmental Accounting Standard Board (GASB) Statements No. 67 and No. 68 will be issued in separate reports. The following information is provided for informational purposes only.

1. The following is a distribution of the number of employees by type of membership:

NUMBER OF ACTIVE AND RETIRED MEMBERS
AS OF JUNE 30, 2025

GROUP	NUMBER
Retirees and beneficiaries currently receiving benefits	155,945
Terminated employees not yet receiving benefits	148,539
Active plan members	242,260
Total	546,744

2. The schedule of funding progress is 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)
6/30/2020	$81,632,571	$107,188,775	$25,556,204	76.2%	$12,737,375	200.6%
6/30/2021*	94,048,970	115,703,567	21,654,597	81.3	12,728,936	170.1
6/30/2022	96,867,918	120,490,555	23,622,637	80.4	13,224,129	178.6
6/30/2023	99,312,538	126,965,866	27,653,328	78.2	14,306,169	193.3
6/30/2024*	103,756,747	133,265,245	29,508,498	77.9	15,352,507	192.2
6/30/2025	110,505,732	140,429,601	29,923,869	78.7	16,324,339	183.3

* Reflects change in assumptions

3. The following shows the schedule of employer contributions.

Year Ending	Actuarially Determined Employer Contribution (ADEC)	Percentage Contributed
6/30/2020	$ 2,738,818	100%
6/30/2021	2,495,527	100
6/30/2022	2,696,714	100
6/30/2023	2,929,096	100
6/30/2024	3,127,483	100
6/30/2025	3,471,216	100

4. The information presented above was determined as part of the actuarial valuation at June 30, 2025. Additional information as of the latest actuarial valuation follows.

Valuation Date	6/30/2025
Actuarial cost method	Entry age
Amortization method	Level percentage, closed
Remaining amortization period	19.2 years
Asset valuation method	5-year smoothed fair
Actuarial Assumptions	
Investment rate of return*	6.90%
Projected salary increases*	3.00-8.75%
Cost-of-Living adjustments	1.50% semi-annually

** Includes inflation at 2.50%*

1. Section 47-3-23 of the act governing the operation of the System provides that as an aid to the Board in adopting service and mortality tables, the actuary will prepare an experience investigation at least once in each 5-year period. The last investigation was prepared for the 5-year period ending June 30, 2023 and, based on the results of the investigation, new rates of separation and mortality were adopted by the Board on January 22, 2025. The next experience investigation will be prepared for the 5-year period July 1, 2023 through June 30, 2028.

2. The following table shows the estimated gain or loss from various factors that resulted in an increase of $415,371,000 in the unfunded actuarial accrued liability from $29,508,498,000 to $29,923,869,000 during the fiscal year ending June 30, 2025.

ANALYSIS OF THE CHANGE IN UNFUNDED ACTUARIAL ACCRUED LIABILITY
(Dollar amounts in millions)

ITEM	AMOUNT OF INCREASE/ (DECREASE)
Interest (6.90%) added to previous UAAL	$ 2,036.1
Accrued liability contribution	(2,321.9)
Experience (Gain)/Loss:	
Valuation asset growth	(1,784.7)
Pensioners' mortality	91.3
Turnover and retirements	153.6
New entrants and rehires	307.2
Salary increases	1,713.0
Assumption and method changes	0.0
Miscellaneous	220.8
Total Change in UAAL	$ 415.4

3. The following is a brief description of the items contributing to the change in the unfunded actuarial accrued liability (UAAL) for the year:

Interest: The increase in the UAAL due to interest based on the assumed rate in effect for the year was $2,036.1 million (6.90% assumed for July 1, 2024 through June 30, 2025).

Accrued Liability Contribution: The decrease due to the contribution made during the year that was allocated to amortization of the UAAL was $2,321.9 million. This is the portion of the total employer contribution received during the year in excess of the employer normal cost.

Valuation Asset Growth: The decrease in the UAAL due to valuation asset growth recognized for the year ending June 30, 2025 was $1,784.7 million. This gain represents the difference between the expected actuarial value of assets and the actual actuarial value of assets. The expected actuarial value of assets is determined by adding the actuarial value of assets from the prior valuation, non-investment related cash flow during the year and interest expected to be earned during the year at the assumed rate (6.90%). The estimated return on actuarial value of assets is 8.64% for the fiscal year ending June 30, 2025.

Pensioner Mortality: The increase in the UAAL due to pensioner mortality for the year was $91.3 million. This is primarily due to less members dying during the year than anticipated based on the mortality tables adopted by the Board.

Turnover and Retirements: There was an increase in the UAAL due to turnover and retirements during the year of $153.6 million. This loss occurred because the number and demographics of terminations and retirements are different than anticipated based on the assumptions adopted by the Board. In addition, this item includes the impact of benefits for new retired members that are more or less than anticipated based on the prior year's valuation data (this includes unexpected service increases due to sick leave conversion and service purchase and unanticipated salary increases in the year of retirement).

New Entrants: The increase in the liability due to new entrants was $307.2 million. This represents the accrued liability at the valuation date for new entrants hired during the year. This also includes members who returned to service with prior service credit.

Salary Increases: There was an increase in the UAAL of $1,713.0 million because the salary increases actually received by active members during the year were more than those anticipated based on the assumed salary increase rates adopted by the Board.

Miscellaneous: Other items contributing to the change in the UAAL totaled to an increase in the UAAL of $220.8 million. This includes all gains or losses not specified above. One such item is the loss that occurred for members who purchased service at less than full actuarial cost (such as withdrawn service). Another item is a loss that occurred because the data received to prepare the valuation was different than expected from the previous year (items such as birth dates or service for active members and birth dates, options, or benefit amounts for retired members).

SECTION VIII - RISK ASSESSMENT

Overview

Actuarial Standards of Practice (ASOP) No. 51, issued by the Actuarial Standards Board, provides guidance on assessing and disclosing risks related to pension plan funding. This guidance is binding on all credentialed actuaries practicing in the United States. This standard was issued as final in September 2017 with application to measurement dates on or after November 1, 2018.

The term "risk" frequently has a negative connotation, but from an actuarial perspective, it may be thought of as simply the fact that what actually happens in the real world will not always match what was expected, based on actuarial assumptions. Of course, when actual experience is better than expected, the favorable risk is easily absorbed. The risk of unfavorable experience will likely be unpleasant, and so there is an understandable focus on aspects of risk that are negative.

Risk usually can be reduced or eliminated at some cost. Consumers, for example, buy auto and home insurance to reduce the risk of accidents or catastrophes. Another way to express this concept, however, is that there is generally some reward for assuming risk. Thus, retirement plans invest not just in US Treasury bonds which have almost no risk, but also in equities which are considerably riskier – because they have an expected reward of a higher return that justifies the risk.

Under ASOP 51, the actuary is called on to identify the significant risks to the pension plan and provide information to help those sponsoring and administering the plan understand the implications of these risks. In this section, we identify some of the key risks for the System and provide information to help interested parties better understand these risks.

Investment Risk

The investment return on assets is the most obvious risk – and usually the largest risk – to funding a pension plan. To illustrate the magnitude of this risk, the following chart shows the Asset Volatility Ratio (AVR), defined as the fair value of assets divided by covered payroll.

($ in thousands)

Valuation	Fair Value of Assets	Covered Payroll	Asset Volatility Ratio
2020	$81,161,558	$12,737,375	6.37
2021	$102,146,688	$12,728,936	8.02
2022	$87,122,859	$13,224,129	6.59
2023	$94,991,195	$14,306,169	6.64
2024	$106,174,001	$15,352,507	6.92
2025	$116,767,912	$16,324,339	7.15

The asset volatility ratio is especially useful to compare across plans or through time. It is also frequently useful to consider how the AVR translates into changes in the Required Contribution Rate (actuarially determined employer contribution rate). For example, in the table below with an AVR of 7.0, if the market value return is 10% below assumed, or negative 3.10% (6.90% minus 10.00%) for the System, there will be an increase in the Required Contribution Rate of 0.92% of payroll in the first year. Without asset smoothing or without returns above the expected return in the next four years, the impact on the Required Contribution Rate would be 4.62%. A higher AVR would produce more volatility in the Required Contribution Rate.

AVR	Unsmoothed Amortization	Smoothed Amortization
6.0	3.96%	0.79%
7.0	4.62%	0.92%
8.0	5.28%	1.06%

Sensitivity Measures

Valuations are generally performed with a single set of assumptions that reflects the best estimate of future conditions, in the opinion of the actuary and typically the governing board. Note that under actuarial standards of practice, the set of economic assumptions used for funding must be consistent. To enhance the understanding of the importance of an assumption, a sensitivity test can be performed where the valuation results are recalculated using a different assumption or set of assumptions.

The following table contains the key measures for the System using the valuation assumption for investment return of 6.90%, along with the results if the assumption were 5.90% or 7.90%. In this analysis, only the investment return assumption is changed. Consequently, there may be inconsistencies between the investment return and other economic assumptions such as inflation or payroll increases. In addition, simply because the valuation results under alternative assumptions are shown here, it should not be implied that CavMac believes that either assumption (5.90% or 7.90%) would comply with actuarial standards of practice.

($ in thousands)

As of June 30, 2025	Current Discount Rate (6.90%)	-1% Discount Rate (5.90%)	+1% Discount Rate (7.90%)
Accrued Liability	$140,429,601	$159,922,865	$124,499,710
Unfunded Liability	$29,923,869	$49,417,133	$13,993,978
Funded Ratio (AVA)	78.7%	69.1%	88.8%
ADEC Rate*	22.32%	32.41%	13.49%

* Contribution rates are determined based on the Board's Funding Policy

Mortality Risk

The mortality assumption is a significant assumption for valuation results, second only to the investment assumption in most situations. The System's mortality assumption utilizes a mortality table (with separate rates for males and females, as well as different rates by status) and a generational projection scale to build in an expected degree of improvement to the member's mortality experience through time.

The future, however, is not known, and actual mortality improvements may occur at a faster rate than expected, or at a slower rate than expected. Although changes in mortality will affect the benefits paid, this assumption is carefully studied during the regular experience studies that the System conducts so that incremental changes can be made to smoothly reflect emerging experience. The risk to the System due to mortality is significantly reduced due to the use of the generational improvement method.

Contribution Risk

The System is primarily funded by member and employer contributions to the trust fund, together with the earnings on those accumulated contributions. Each year in the valuation, the Actuarial Determined Employer Contribution (ADEC) rate is determined, based on the System's funding policy. This rate is the sum of the rates for the normal cost for the plan (which includes expected administrative expenses), and the rate necessary to amortize the UAAL. Since the level percentage of payroll method is utilized to determine the UAAL amortization amounts, there is an expectation that future payments will grow at the assumed 2.50% annual rate of increase in covered payroll. If payroll grows at a slower rate, under this amortization method, less than expected UAAL amortization payments would result in a greater UAAL in future years and may require increases to either the amortization rate or the amortization period. From a policy perspective, since the ADEC rate has always been made by the plan sponsors, and that procedure is expected to continue, there is no risk to the System associated with the contribution amounts being less than the ADEC.

Liquidation Risk

Under the revised Actuarial Standards of Practice (ASOP) No. 4 effective for valuations after February 15, 2023, we must now include a low-default-risk obligation measure of the System's liability in our funding valuation report. This is an informational disclosure as described below and would not be appropriate for assessing the funding progress or health of this plan.

This measure uses the unit credit cost method and reflects all the assumptions and provisions of the funding valuation except that the discount rate is derived from considering low-default-risk fixed income securities. We considered the FTSE Pension Discount Curve based on market bond rates published by the Society of Actuaries as of June 30, 2025 and with the 30-year spot rate used for all durations beyond 30. Using these assumptions, we calculate a low-default-risk obligation measure liability of approximately $146.1 billion.

This amount approximates the termination liability if the plan (or all covered employment) ended on the valuation date and all of the accrued benefits had to be paid with cash-flow matched bonds. This assurance of funded status and benefit security is typically more relevant for corporate plans than for governmental plans since governments rarely have the need or option to completely terminate a plan.

SCHEDULE A - VALUATION BALANCE SHEET

THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE TEACHERS RETIREMENT SYSTEM OF GEORGIA
AS OF JUNE 30, 2025
(Dollar amounts in thousands)

ASSETS		
Actuarial value of assets		$ 110,505,732
Present value of future member contributions to Annuity Savings Fund		7,562,647
Present value of future employer contributions to the Pension Accumulation Fund:		
Normal contributions	$10,806,171	
Unfunded actuarial accrued liability contributions	29,923,869	
Total Prospective Employer Contributions		40,730,040
Total Assets		$ 158,798,419
LIABILITIES		
Present value of prospective benefits payable on account of present retired members and beneficiaries of deceased members		$ 79,378,843
Present value of prospective benefits payable on account of present active and inactive members and members entitled to deferred vested benefits		79,419,576
Total Liabilities		$ 158,798,419

Schedule B - Development of Actuarial Value of Assets

(Dollar amounts in thousands)

(1)	Actuarial Value Beginning of Year		$ 103,756,747
(2)	Fair Value End of Year		116,767,912
(3)	Fair Value Beginning of Year		106,174,001
(4)	Cash Flow		
	(a)	Contributions	4,502,243
	(b)	Benefit Payments	6,602,538
	(c)	Administrative Expenses	21,396
	(d)	Investment Expenses	71,247
	(e)	Net: (4)(a) - (4)(b) - 4(c) - 4(d)	(2,192,938)
(5)	Investment Income		
	(a)	Fair Total: (2) - (3) - (4)(e)	12,786,849
	(b)	Assumed Rate	6.90%
	(c)	Amount for Immediate Recognition: [(3) x (5)(b)] + {[(4)(a) - (4)(b) – 4(c)] x (5)(b) x 0.5} + (4)(d)	7,324,055
	(d)	Amount for Phased-In Recognition: (5)(a) – (5)(c)	5,462,794
(6)	Phased-In Recognition of Investment Income		
	(a)	Current Year	1,092,559
	(b)	First Prior Year	1,391,610
	(c)	Second Prior Year	832,653
	(d)	Third Prior Year	(3,948,190)
	(e)	Fourth Prior Year	2,249,236
	(f)	Total Recognized Investment Gain	1,617,868
(7)	Preliminary Value End of Year: (1) + (4)(e) + 5(c) + (6)(f)		$ 110,505,732
(8)	Corridor		
	(a)	75% of Fair Value: 0.75 x (2)	$ 87,575,934
	(b)	125% of Fair Value: 1.25 x (2)	$ 145,959,890
(9)	Actuarial Value End of Year: (7), but not less than (8)(a) and not greater than (8)(b)		$ 110,505,732
(10)	Difference Between Fair & Actuarial Values: (2) - (9)		$ 6,262,180
(11)	Rate of Return on Actuarial Value*		8.64%

* Calculated assuming mid-year cash flow

SCHEDULE C - SUMMARY OF RECEIPTS AND DISBURSEMENTS

(Dollar amounts in thousands)

	YEAR ENDING	
Receipts for the Year	June 30, 2025	June 30, 2024
Contributions:		
Member	$ 1,031,027	$ 968,016
Employer	3,464,704	3,121,575
Non-Employer	6,512	5,908
Subtotal	$ 4,502,243	$ 4,095,499
Investment Income (Net of Investment Expenses)	2,307,494	2,084,866
Unrealized Appreciation/(Depreciation)	10,408,108	11,349,885
TOTAL	$ 17,217,845	$ 17,530,250
Disbursements for the Year		
Benefit Payments	$ 6,504,379	$ 6,224,330
Refunds to Members	98,159	98,633
Administrative Expenses	21,396	24,481
TOTAL	$ 6,623,934	$ 6,347,444
Excess of Receipts over Disbursements	$ 10,593,911	$ 11,182,806
Reconciliation of Asset Balances		
Asset Balance as of the Beginning of Year (Fair Value)	$106,174,001	$ 94,991,195
Excess of Receipts over Disbursements	10,593,911	11,182,806
Asset Balance as of the End of Year (Fair Value)	$116,767,912	$106,174,001
Estimated Rate of Return on Fair Value*	12.1%	14.5%

* Calculated assuming mid-year cash flow

SCHEDULE D - ACTUARIAL ASSUMPTIONS AND METHODS

All assumptions, with the exception of the discount rate, payroll growth and the inflation component of the rates of salary increases, were adopted by the Board on January 22, 2025. The combined effect of the assumptions is expected to have no significant bias.

INVESTMENT RATE OF RETURN (Discount Rate): 6.90% per annum, net of investment expenses, compounded annually (including inflation of 2.50%).

SALARY INCREASES*:

Service	Annual Rate	Service	Annual Rate	Service	Annual Rate
0	8.75 %	7	4.25 %	14	3.25 %
1	7.25	8	3.75	15	3.25
2	5.75	9	3.75	16	3.00
3	5.25	10	3.50	17	3.00
4	5.00	11	3.50	18	3.00
5	5.00	12	3.50	19	3.00
6	5.00	13	3.50	20 or more	3.00

*includes price inflation component of 2.50%

SERVICE RETIREMENT:

	Annual Rate			
	Male		Female	
AGE	Less than 30 years of service	30 or more years of service*	Less than 30 years of service	30 or more years of service*
50	2.80 %	65.00 %	2.80 %	60.00 %
55	5.00	45.00	5.80	37.00
60	20.00	35.00	26.00	37.00
61	17.00	30.00	23.00	40.00
62	20.00	37.00	24.00	40.00
63	20.00	35.00	22.00	40.00
64	20.00	35.00	22.00	40.00
65	25.00	25.00	32.00	32.00
66	28.00	28.00	32.00	32.00
67	28.00	28.00	32.00	32.00
68	28.00	28.00	30.00	30.00
69	28.00	28.00	30.00	30.00
70	28.00	28.00	30.00	30.00

An additional percentage of members are assumed to retire at 30 years of service for ages between 50 and 64.

SEPARATION BEFORE SERVICE RETIREMENT:

	Annual Rate of			
Age	Death*	Disability	Death*	Disability
	Male		Female	
20	0.0382%	-	0.0138%	-
25	0.0318	-	0.0138	-
30	0.0392	-	0.0212	-
35	0.0498	0.0124%	0.0318	0.0106%
40	0.0700	0.0206	0.0488	0.0218
45	0.1134	0.0540	0.0753	0.0455
50	0.1866	0.1020	0.1113	0.0980
55	0.2820	0.1800	0.1632	0.2380
60	0.4357	-	0.2533	-
64	0.6519	-	0.3784	-

** The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% is used for death prior to retirement. Future improvement in mortality rates is assumed using the MP-2021 projection scale generationally. These rates of improvement have been reduced by 20% for all years prior to the ultimate rate. The proposed rates shown are based on a projection to 2010. Actual mortality rates would be projected generationally.*

SCHEDULE D - ACTUARIAL ASSUMPTIONS AND METHODS

RATES OF WITHDRAWAL*

MALES

Age	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	>=25
	YEARS OF SERVICE																									
18-21	35.00%	35.00%	35.00%	35.00%	35.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	35.00%	35.00%	35.00%	35.00%	35.00%	11.00%	8.00%	5.50%	5.25%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	24.00%	22.00%	20.00%	18.00%	16.00%	11.00%	8.00%	5.50%	5.25%	5.00%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
24-27	18.00%	16.50%	15.50%	14.00%	12.00%	11.00%	8.00%	5.50%	5.25%	5.00%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
28-32	18.00%	16.50%	15.50%	14.00%	12.00%	8.00%	7.00%	5.50%	5.25%	5.00%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
33-37	18.00%	15.00%	14.50%	13.50%	12.00%	8.00%	7.00%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
38-42	18.00%	13.50%	13.00%	12.50%	12.00%	8.00%	5.75%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
43-47	15.00%	13.50%	13.00%	11.00%	10.00%	7.00%	5.75%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
48-52	15.00%	13.50%	11.50%	11.00%	9.00%	7.00%	5.75%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
53-57	15.00%	13.50%	11.50%	11.50%	9.00%	7.00%	5.75%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
58-59	20.00%	14.50%	11.50%	11.50%	8.00%	7.00%	5.75%	5.50%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.75%	2.50%	2.50%	2.25%	2.25%	2.25%	2.00%	2.00%	1.50%	0.00%
60	20.00%	14.50%	11.50%	11.50%	8.00%	7.00%	5.75%	5.50%	5.25%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
61-62	20.00%	15.50%	15.00%	12.00%	10.00%	7.00%	5.75%	5.50%	5.25%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
63-74	20.00%	16.50%	16.00%	15.00%	13.00%	10.00%	9.00%	7.50%	5.25%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
>=75	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

FEMALES

Age	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	>=25
	YEARS OF SERVICE																									
18-21	30.00%	30.00%	30.00%	30.00%	30.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	30.00%	30.00%	30.00%	30.00%	30.00%	11.00%	10.00%	5.75%	5.50%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23-27	18.00%	14.00%	14.00%	13.50%	11.75%	11.00%	10.00%	5.75%	5.50%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
28-32	18.00%	14.00%	14.00%	13.50%	11.75%	8.50%	7.50%	5.75%	5.50%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
33-37	18.00%	14.00%	13.50%	12.50%	11.75%	8.50%	7.50%	5.75%	5.50%	5.00%	5.00%	4.50%	4.00%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
38-42	18.00%	13.50%	11.25%	11.00%	10.50%	7.50%	7.00%	5.75%	5.50%	4.50%	4.25%	4.25%	3.50%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
43-47	15.00%	13.00%	11.00%	10.00%	9.50%	6.50%	6.00%	5.75%	5.50%	4.50%	4.25%	4.25%	3.50%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
48-52	15.00%	13.50%	10.50%	10.00%	9.50%	6.00%	5.75%	5.75%	5.50%	4.50%	4.25%	4.25%	3.50%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
53-57	15.00%	13.50%	10.50%	10.00%	9.50%	6.00%	5.75%	5.75%	5.50%	4.50%	4.25%	4.25%	3.50%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
58-59	15.00%	15.00%	12.00%	11.00%	9.50%	6.00%	5.75%	5.75%	5.50%	4.50%	4.25%	4.25%	3.50%	3.50%	3.00%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%	0.00%
60	15.00%	15.00%	12.00%	11.00%	9.50%	6.00%	5.75%	5.75%	5.50%	4.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
61-62	18.00%	16.00%	13.00%	12.00%	10.00%	6.00%	5.75%	5.75%	5.50%	4.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
63-74	18.00%	16.00%	16.00%	15.00%	15.00%	12.00%	9.00%	8.00%	6.50%	4.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
>=75	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

** Withdrawal Rates are zero at retirement eligibility.*

DEATHS AFTER RETIREMENT: The Pub-2010 Benefit Weighted Family of Tables projected generationally with the MP-2021 Projection Scale are used. Rates of improvement have been reduced by 20% for all years prior to the ultimate rate. Further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Service Retirees	Teachers Healthy Below-Median Annuitant	Male: +1; Female: +1	Male: 105%; Female: 110%
Disability Retirees	Teachers Disabled	Male: +3; Female: +3	Male: 106%; Female: 106%
Beneficiaries	Teachers Below-Median Contingent Survivors	Male: +1; Female: -1	Male: 100%; Female: 102%

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

	Annual Rate of Death After					
	Service Retirement*		Disability Retirement*		Beneficiaries*	
Age	Men	Women	Men	Women	Men	Women
40	0.0651%	0.0473%	0.8840%	0.8745%	0.0620%	0.0367%
45	0.1050	0.0737	1.4225	1.3430	0.7600	0.0571
50	0.1722	0.1111	2.0363	1.7384	0.9350	0.5335
55	0.3927	0.3080	2.4963	1.9864	1.0730	0.6803
60	0.5513	0.3993	2.9521	2.2366	1.3020	0.8884
65	0.8180	0.5544	3.7354	2.7231	1.7760	1.1914
70	1.4606	0.9823	4.8749	3.6718	2.7030	1.6861
75	2.7080	1.8821	6.7278	5.3795	4.1830	2.5255
80	4.9728	3.6278	9.8145	8.2797	6.4860	3.9474
85	9.0867	6.9245	14.4192	12.5907	10.3440	6.5300
90	16.0041	12.8975	21.8233	17.7444	16.6730	11.1517
95	25.6778	22.1100	30.4464	25.6796	25.0530	17.6562

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

COST OF LIVING: Increases of 1.50% semi-annually.

PAYROLL GROWTH ASSUMPTION: 2.50%

ADMINISTRATIVE EXPENSES: 0.15% of active members' payroll is included in normal cost contribution.

ASSET METHOD: Actuarial Value, as developed in Schedule B. The actuarial value of assets recognizes a portion of the difference between the fair value of assets and the expected fair value of assets, based on the investment rate of return. The amount recognized each year will be based on 5-year smoothing of assets, where 20% of the difference between fair value and expected fair value will be recognized each year. The actuarial value of assets is limited to a range between 75% and 125% of the fair value of assets.

PERCENTAGE MARRIED: 100% of active members were assumed to be married with the husband 4 years older than the wife.

UNUSED SICK LEAVE: 1.75% for members who retire on early retirement and for members who retire with unreduced retirement before 30 years of service and a 2.25% load for members who retire with 30 or more years of service.

TERMINATING VESTED MEMBERS: Prior to age 50, 25% of active vested members who terminate are assumed to elect a refund in lieu of a benefit; on or after age 50, 15% of active vested members who terminate are assumed to elect a refund in lieu of a benefit. Benefits are assumed to begin at age 60.

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 6.90%), of each active member's expected benefit at retirement or death is determined, based on age, service, sex, and compensation. 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 termination with a service, disability, or survivor's benefit. Future salary increases and post-retirement cost-of-living adjustments 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 and beneficiaries and inactive members 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 normal" method. Under this method, a calculation is made to determine the uniform and constant percentage rate of employer contribution which, if applied to the compensation of the average new member during the entire period of anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on the member's behalf.

4. The unfunded actuarial 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 - FUNDING POLICY

The purpose of the funding policy is to state the overall funding objectives for the Teachers Retirement System of Georgia (the "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 intended that the funding policy 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 contribution rates expressed as a percentage of member payroll as 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 attain a 100% funded ratio over a reasonable period of future years.
- To maintain adequate asset levels to finance the benefits promised to members and to 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 assumptions.

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 valuation.
- Total UAAL - In each valuation year, this is the sum of the remaining balance of the Transitional UAAL and the remaining balance of each New Incremental UAAL.

UAAL Amortization Period

- The Transitional UAAL will be amortized over a closed period equal to the amortization period determined in the valuation preceding the adoption of the funding policy not to exceed 23 years.
- Each New Incremental UAAL shall be amortized over a closed 25-year period.

Employer Contribution Rates

- Employer Normal Contribution Rate – the contribution rate determined as of the valuation date each year based on the provisions of Georgia Code Section 47-3-43.
- In each valuation subsequent to the adoption of this funding policy, the required employer contribution rate will be determined by the summation of the employer Normal Contribution Rate, a contribution rate for administrative expenses, the amortization rate for the Transitional UAAL and the individual amortization rate for each of the New Incremental UAAL bases.

Stability of Employer Contribution Rates

The valuation methodology, including the amortization of the UAAL would be expected to maintain reasonably stable contribution rates. In each valuation, a single equivalent UAAL amortization period will be determined equal to the number of years that the sum of all of the individual amortization payments for the Transitional UAAL and each New Incremental UAAL determined above would be expected to fully amortize the Total UAAL. The employer contribution rate established in the prior valuation can be maintained provided that the payment of this rate results in a reduction from the prior valuation of at least one-year to the single equivalent UAAL amortization period.

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 recommendation of the System's actuary. These include the following primary methods and assumptions:

- The actuarial cost method used to develop the benchmarks will be the Entry Age Normal actuarial cost method.
- The long-term investment rate of return assumption will be based on the discount rate adopted by the Board of Trustees.
- The actuarial value of assets in subsequent valuations will be determined by recognizing the annual differences between actual and expected market value of assets over a 5-year period.

In order to insure the sufficiency of long-term funding of benefits, the annual employer contribution rate determined in each actuarial valuation shall not be less than the employer normal cost contribution rate plus a contribution rate for administrative expenses.

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.

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.

AMORTIZATION OF TRANSITIONAL UAAL
(Dollar amounts in thousands)

Valuation Date	Balance of Transitional UAAL 6/30/2021	Expected UAAL Contribution
6/30/2021	$ 21,654,597	$ 1,553,767
6/30/2022	21,594,997	1,592,611
6/30/2023	21,492,440	1,632,427
6/30/2024	21,342,992	1,673,237
6/30/2025	**21,142,421**	**1,758,070**
6/30/2026	20,843,178	1,802,022
6/30/2027	20,479,335	1,847,073
6/30/2028	20,045,336	1,893,250
6/30/2029	19,535,215	1,940,581
6/30/2030	18,942,564	1,989,095
6/30/2031	18,260,506	2,038,823
6/30/2032	17,481,658	2,089,793
6/30/2033	16,598,099	2,142,038
6/30/2034	15,601,330	2,195,589
6/30/2035	14,482,232	2,250,479
6/30/2036	13,231,028	2,306,741
6/30/2037	11,837,228	2,364,409
6/30/2038	10,289,588	2,423,519
6/30/2039	8,576,050	2,484,107
6/30/2040	6,683,690	2,546,210
6/30/2041	4,598,654	2,609,865
6/30/2042	2,306,096	2,675,112
6/30/2043	0	0
6/30/2044	0	0

AMORTIZATION OF 2022 INCREMENTAL UAAL
(Dollar amounts in thousands)

Valuation Date	Balance of New Incremental UAAL 6/30/2022	Expected UAAL Contribution
6/30/2022	$ 2,027,640	$ 137,185
6/30/2023	2,030,362	140,615
6/30/2024	2,029,842	144,130
6/30/2025	**2,025,771**	**147,734**
6/30/2026	2,017,816	151,427
6/30/2027	2,005,618	155,213
6/30/2028	1,988,793	159,093
6/30/2029	1,966,927	163,070
6/30/2030	1,939,575	167,147
6/30/2031	1,906,259	171,326
6/30/2032	1,866,465	175,609
6/30/2033	1,819,642	179,999
6/30/2034	1,765,199	184,499
6/30/2035	1,702,499	189,111
6/30/2036	1,630,860	193,839
6/30/2037	1,549,550	198,685
6/30/2038	1,457,784	203,652
6/30/2039	1,354,718	208,744
6/30/2040	1,239,450	213,962
6/30/2041	1,111,010	219,311
6/30/2042	968,359	224,794
6/30/2043	810,382	230,414
6/30/2044	635,884	236,174
6/30/2045	443,586	242,079
6/30/2046	232,115	248,131
6/30/2047	0	0

AMORTIZATION OF 2023 INCREMENTAL UAAL
(Dollar amounts in thousands)

Valuation Date	Balance of New Incremental UAAL 6/30/2023	Expected UAAL Contribution
6/30/2023	$ 4,130,526	$ 279,461
6/30/2024	4,136,070	286,448
6/30/2025	**4,135,011**	**293,609**
6/30/2026	4,126,718	300,949
6/30/2027	4,110,512	308,473
6/30/2028	4,085,664	316,185
6/30/2029	4,051,390	324,090
6/30/2030	4,006,847	332,192
6/30/2031	3,951,127	340,497
6/30/2032	3,883,258	349,009
6/30/2033	3,802,194	357,734
6/30/2034	3,706,811	366,678
6/30/2035	3,595,904	375,845
6/30/2036	3,468,177	385,241
6/30/2037	3,322,240	394,872
6/30/2038	3,156,603	404,743
6/30/2039	2,969,665	414,862
6/30/2040	2,759,710	425,234
6/30/2041	2,524,896	435,864
6/30/2042	2,263,250	446,761
6/30/2043	1,972,653	457,930
6/30/2044	1,650,836	469,378
6/30/2045	1,295,365	481,113
6/30/2046	903,633	493,141
6/30/2047	472,843	505,469
6/30/2048	0	0

AMORTIZATION OF 2024 INCREMENTAL UAAL
(Dollar amounts in thousands)

Valuation Date	Balance of New Incremental UAAL 6/30/2024	Expected UAAL Contribution
6/30/2024	$ 1,999,594	$ 135,288
6/30/2025	**2,002,278**	**138,670**
6/30/2026	2,001,765	142,137
6/30/2027	1,997,750	145,690
6/30/2028	1,989,905	149,332
6/30/2029	1,977,876	153,066
6/30/2030	1,961,284	156,892
6/30/2031	1,939,720	160,815
6/30/2032	1,912,746	164,835
6/30/2033	1,879,891	168,956
6/30/2034	1,840,648	173,180
6/30/2035	1,794,473	177,509
6/30/2036	1,740,782	181,947
6/30/2037	1,678,949	186,496
6/30/2038	1,608,301	191,158
6/30/2039	1,528,116	195,937
6/30/2040	1,437,619	200,835
6/30/2041	1,335,980	205,856
6/30/2042	1,222,306	211,003
6/30/2043	1,095,642	216,278
6/30/2044	954,964	221,685
6/30/2045	799,172	227,227
6/30/2046	627,088	232,907
6/30/2047	437,450	238,730
6/30/2048	228,904	244,698
6/30/2049	0	0

AMORTIZATION OF 2025 INCREMENTAL UAAL
(Dollar amounts in thousands)

Valuation Date	Balance of New Incremental UAAL 6/30/2025	Expected UAAL Contribution
6/30/2025	$ **618,388**	$ **41,839**
6/30/2026	619,218	42,885
6/30/2027	619,059	43,957
6/30/2028	617,818	45,056
6/30/2029	615,392	46,182
6/30/2030	611,672	47,337
6/30/2031	606,540	48,520
6/30/2032	599,872	49,733
6/30/2033	591,530	50,976
6/30/2034	581,369	52,251
6/30/2035	569,233	53,557
6/30/2036	554,953	54,896
6/30/2037	538,349	56,268
6/30/2038	519,226	57,675
6/30/2039	497,378	59,117
6/30/2040	472,580	60,595
6/30/2041	444,593	62,110
6/30/2042	413,161	63,662
6/30/2043	378,006	65,254
6/30/2044	338,835	66,885
6/30/2045	295,329	68,557
6/30/2046	247,149	70,271
6/30/2047	193,931	72,028
6/30/2048	135,284	73,829
6/30/2049	70,790	75,675
6/30/2050	0	0

SCHEDULE H - MAIN PLAN PROVISIONS

The Teachers Retirement System of Georgia began operation as of January 1, 1945. The System is supported by the joint contributions of the members and their employers. All teachers employed by an agency of and within the State of Georgia are eligible for membership in the System. The State makes contributions for certain retired members of local funds and certain benefits are payable by the System to them or on their account.

The following summary describes the main benefit and contribution provisions of the System as interpreted for the valuation.

1 - DEFINITIONS

"Prior service" means service rendered prior to January 1, 1945 for which credit is allowed. "Creditable service" means the sum of membership service and prior service. "Earnable compensation" means the full rate of compensation that would be payable to a member teacher if he worked the full normal working time and shall include compensation paid to a member by an employer from grants or contracts made by outside agencies with the employer. "Employer" means the State of Georgia, the county or independent board of education, the State Board of Education, the Board of Regents of the University System of Georgia, or any other agency of and within the State by which a teacher is paid.

2 - BENEFITS

MEMBERS OF THE RETIREMENT SYSTEM

Service Retirement Benefit

Condition for Allowance

Any member may retire on a service retirement allowance upon the attainment of age 60 and the completion of 10 years of creditable service or upon the completion of 25 years of creditable service.

Amount of Allowance

The service retirement allowance consists of:

(a) An annuity which is the actuarial equivalent of the member's accumulated contributions at the time of retirement; and

(b) A pension which, together with the annuity, will provide a total annual allowance equal to 2.00% of the member's average annual compensation during the two consecutive years of creditable service as a contributing member producing the highest such average, multiplied by the number of years of creditable service limited to 40 years.

If the member has less than 30 years of creditable service and has not attained age 60 at the time of retirement, the allowance is reduced by the lesser of 1/12 of 7% for each month that retirement precedes age 60 or 7% for each year or fraction of a year by which the member has less than 30 years of creditable service at the time of retirement.

The minimum service retirement allowance is $17 per month for each year of creditable service, not to exceed 40 years of such service.

In no event will a teacher who was a member on June 30, 1961 receive a smaller retirement allowance than he would have received under the benefit provisions of the System in effect on that date.

Disability Retirement Benefit

Condition for Allowance

A disability retirement allowance is payable to any member who becomes permanently incapacitated, mentally, or physically, for the further performance of duty, after having rendered 10 or more years of creditable service.

Amount of Allowance

If a member qualifies for either service retirement or disability retirement and a service retirement calculation exceeds the amount that he would receive on disability, he shall receive a service retirement allowance. Otherwise, he receives a disability retirement allowance determined as a service retirement allowance on the basis of the member's creditable service and compensation up to the time of disability, but with no reduction for age.

Death Benefit

Condition for Allowance

A death benefit is payable on account of a member who dies after having completed 10 or more years of creditable service provided there is a named living beneficiary.

Amount of Allowance	The death benefit is the amount which would have become payable to the member's beneficiary had the member retired on the date of death on either a service retirement allowance or a disability retirement allowance, whichever is larger, and died after an election of Option 2 had become effective.

Vesting Benefit

Condition for Allowance	A member who withdraws from service prior to attaining age 60 after having rendered at least 10 years of creditable service and who elects to leave their accumulated contributions in the System is eligible for a vesting retirement allowance upon application therefore upon the attainment of age 60 or at any time thereafter.
Amount of Allowance	The vesting allowance is determined as a service retirement allowance on the basis of the member's creditable service and compensation up to the time of withdrawal from service and on the basis of the member's age at the time the allowance commences.
Return of Contributions Prior to Retirement	Upon a member's withdrawal from service or death prior to retirement, the member's accumulated contributions together with the accumulated interest are returned to him or are paid to the member's designated beneficiary or estate, provided no other benefit is payable under the System.
Return of Contributions After Retirement Under Maximum Plan	Benefits are payable to a member retired on service or disability for the remainder of the member's lifetime under the maximum plan. In the event total monthly benefits paid at the time of death are less than the contributions which the member made to the System, the difference between the benefits paid and the amount of contributions is refunded to the member's designated beneficiary or estate, provided no optional allowance has been selected.

Optional Allowances

Upon retirement, any member may elect to convert the retirement allowance otherwise payable to him, except any additional pension payable under the minimum provision, to a reduced retirement allowance of equivalent actuarial value in one of the following optional forms:

Option 1. If the member dies before receiving in annuity payments the amount of the member's accumulated contributions at retirement, the balance is paid to the designated beneficiary or to the estate; or

Option 2. Upon the member's death the member's reduced retirement allowance is continued throughout the life of and paid to the designated beneficiary; or

Option 2 Pop-up. A member may elect Option 2 with the added provision that in the event the designated beneficiary predeceases the member, the retirement allowance payable to the member after the designated beneficiary's death shall be equal to the retirement allowance which would have been payable had the member not elected the option; or

Option 3. Upon the member's death one-half of the member's reduced retirement allowance is continued throughout the life of and paid to the designated beneficiary; or

Option 3 Pop-up. A member may elect Option 3 with the added provision that in the event the designated beneficiary predeceases the member, the retirement allowance payable to the member after the designated beneficiary's death shall be equal to the retirement allowance which would have been payable had the member not elected the option; or

Option 4. A reduced retirement allowance payable during the life of the retired member, with the provision that upon the member's death some other benefit shall be payable; provided that the total value of such benefits is the actuarial equivalent of the retirement allowance he would have received without optional modification and provided the benefit is approved by the Board of Trustees; or

Option 5. A reduced retirement allowance together with a partial lump sum distribution not to exceed the sum of 36 months of the member's monthly retirement allowance that would have been payable if this option was not elected. This option may be elected with any other option described above. This option is not available to disability retirements or members subject to the minimum benefit formula.

Cost-of-Living Adjustment

The retirement allowances of members or of any beneficiary of a member who died in service will be subject to adjustment as of each January 1 and July 1 based upon the change in the average CPI during the previous six-month period. The maximum increase in retirement allowances for any such six-month period will be 1-1/2%. If the CPI decreases, no reduction in allowance will be made for the first 2-1/2% of a reduction and retirement allowances will not be reduced below the amounts initially paid upon retirement.

In addition, for members who retired prior to January 1, 2013, a one-time 3% increase on the first $37,500 of members' allowances is made at retirement. Members who retire on or after January 1, 2013 do not receive this increase.

A member who retires prior to age 60 with less than 30 years of creditable service is not eligible for post-retirement adjustments until such time as the member reaches age 60 or would have obtained 30 years of creditable service, whichever occurs earlier.

3 - CONTRIBUTIONS

By Members	Each member contributes 6.00% of earnable compensation. However, no contributions are payable after the attainment of age 65 and the completion of 40 years of creditable service unless the member elects to continue to make contributions. Members may elect to cease making contributions after the completion of 40 years of creditable service.
By Employers	The employer contributes at a specified percentage of active member payroll determined annually by actuarial valuation.

THE NUMBER AND AVERAGE ANNUAL COMPENSATION OF ACTIVE MEMBERS BY AGE AND SERVICE AS OF JUNE 30, 2025

Age	Years of Service										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	Total
Under 25	314	5,416	19								5,749
Avg. Pay	29,849	40,229	39,765								39,660
25 to 29	420	16,516	3,897	8							20,841
Avg. Pay	33,647	49,226	59,743	60,603							50,833
30 to 34	301	10,406	11,041	2,812	3						24,563
Avg. Pay	34,922	49,577	63,149	70,448	51,070						57,888
35 to 39	304	9,615	7,938	9,506	1,856	7					29,226
Avg. Pay	38,953	50,581	63,483	73,528	80,278	61,196					63,317
40 to 44	287	8,626	7,040	6,412	8,289	2,648	7				33,309
Avg. Pay	40,846	52,471	65,149	74,910	83,055	88,411	61,717				69,840
45 to 49	246	7,351	6,517	5,503	5,769	8,626	2,410	7			36,429
Avg. Pay	41,971	54,154	64,472	74,345	83,186	91,376	93,734	85,029			75,003
50 to 54	181	5,900	5,797	5,157	5,352	5,948	7,556	1,009	4		36,904
Avg. Pay	44,067	55,042	63,649	71,307	79,480	86,738	94,355	98,544	87,988		76,508
55 to 59	124	4,382	4,539	4,352	4,723	5,241	4,570	1,797	205	6	29,939
Avg. Pay	45,081	54,489	62,643	69,115	74,264	79,669	87,750	96,896	96,382	71,110	73,252
60 to 64	70	2,537	2,794	2,703	2,858	2,800	2,025	830	375	46	17,038
Avg. Pay	36,649	52,407	60,220	64,771	69,751	74,168	78,433	84,774	89,695	93,108	67,671
65 to 69	32	965	1,092	975	925	832	666	298	168	52	6,005
Avg. Pay	34,517	45,811	56,523	65,681	70,045	73,082	75,095	85,155	87,639	89,794	65,188
70 & up	10	422	431	335	291	254	220	151	92	51	2,257
Avg. Pay	28,966	42,506	49,967	67,544	71,897	73,151	74,226	85,300	75,098	115,636	63,761
Total Count	2,289	72,136	51,105	37,763	30,066	26,356	17,454	4,092	844	155	242,260
Avg. Pay	37,322	50,494	62,976	71,955	79,115	85,114	89,691	93,540	89,311	98,557	67,384

Average Age: 45.06 Average Service: 11.14

NUMBER OF RETIRED MEMBERS
AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 50	50	$ 1,510,281	$ 30,206
50 – 54	1,911	94,646,134	49,527
55 – 59	7,073	358,401,660	50,672
60 – 64	18,014	688,758,524	38,235
65 – 69	27,063	990,421,545	36,597
70 – 74	31,533	1,304,983,562	41,385
75 – 79	28,184	1,358,082,078	48,186
80 – 84	15,356	779,765,065	50,779
85 – 89	7,049	369,306,537	52,391
90 – 94	2,903	147,611,229	50,848
95 & Over	842	40,897,254	48,572
Total	139,978	$ 6,134,383,869	$ 43,824

Average Age: 72.14

NUMBER OF BENEFICIARIES
AND THEIR BENEFITS BY AGE

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 25	157	$ 2,087,911	$ 13,299
25 – 29	192	2,655,976	13,833
30 – 34	286	4,019,994	14,056
35 – 39	395	5,379,839	13,620
40 – 44	486	7,381,603	15,188
45 – 49	590	9,342,596	15,835
50 – 54	660	12,219,780	18,515
55 – 59	726	14,702,615	20,252
60 – 64	829	19,891,196	23,994
65 – 69	1,070	28,835,720	26,949
70 – 74	1,445	45,670,120	31,606
75 – 79	1,674	59,335,348	35,445
80 – 84	1,370	55,454,557	40,478
85 – 89	906	40,938,363	45,186
90 – 94	477	20,963,543	43,949
95 & Over	149	6,967,658	46,763
Total	11,412	$ 335,846,819	$ 29,429

Average Age: 66.74

**NUMBER OF DISABLED RETIREES
AND THEIR BENEFITS BY AGE**

Age	Number of Members	Total Annual Benefits	Average Annual Benefits
Under 50	182	$ 3,742,972	$ 20,566
50 – 54	358	8,791,578	24,557
55 – 59	611	15,608,920	25,547
60 – 64	852	20,933,288	24,570
65 – 69	918	24,094,652	26,247
70 – 74	748	20,916,415	27,963
75 – 79	520	16,381,325	31,503
80 – 84	251	7,821,134	31,160
85 – 89	82	2,487,949	30,341
90 – 94	26	882,645	33,948
95 & Over	7	235,537	33,648
Total	4,555	$ 121,896,415	$ 26,762

Average Age: 66.06

Active Members				
Fiscal Year	Number of Members	Annual Payroll (000's)	Average Pay	% Increase
2016	218,193	10,783,277	49,421	2.2%
2017	222,902	11,333,997	50,847	2.9%
2018	226,039	11,704,334	51,780	1.8%
2019	226,366	11,882,828	52,494	1.4%
2020	231,032	12,737,375	55,133	5.0%
2021	227,926	12,728,936	55,847	1.3%
2022	230,326	13,224,129	57,415	2.8%
2023	235,920	14,306,169	60,640	5.6%
2024	240,561	15,352,507	63,820	5.2%
2025	242,260	16,324,339	67,384	5.6%

Retirants and Beneficiaries								
	Added to Roll		Removed from Roll		Roll – End of Year			
Fiscal Year	Number of Members	Annual Allowances (000’s)	Number of Members	Annual Allowances (000’s)	Number of Members	Annual Allowances (000’s)	% Increase In Annual Allowances	Average Annual Income
2016	7,225	$ 312,063	2,392	$ 80,359	117,957	$ 4,297,292	5.7	$ 36,431
2017	7,189	318,594	2,459	84,596	122,687	4,531,290	5.4	36,934
2018	7,345	341,242	2,732	98,829	127,300	4,773,703	5.3	37,500
2019	7,247	347,533	2,727	100,233	131,820	5,021,003	5.2	38,090
2020	6,894	346,319	3,036	114,317	135,678	5,253,005	4.6	38,717
2021	7,915	391,351	3,728	144,560	139,865	5,499,796	4.7	39,322
2022	7,762	403,232	3,584	142,734	144,043	5,760,294	4.7	39,990
2023	7,375	404,322	3,317	137,638	148,101	6,026,978	4.6	40,695
2024	7,551	428,168	3,728	158,007	151,924	6,297,139	4.5	41,449
2025	7,726	457,827	3,705	162,839	155,945	6,592,127	4.7	42,272

Solvency Test							
	Aggregate Accrued Liabilities For				Portion of Accrued Liabilities Covered by Assets		
Fiscal Year	(1) Active Member Contributions (000's)	(2) Retirants and Beneficiaries (000's)	(3) Active Members (Employer-Financed Portion) (000's)	Actuarial Value of Assets (000's)	(1)	(2)	(3)
2016				$ 68,161,710	100.0%	100.0%	15.9%
2017				71,212,660	100.0	100.0	15.7
2018	9,350,031	58,993,494	28,561,728	75,024,364	100.0	100.0	23.4
2019	9,791,208	61,856,920	30,191,271	78,126,922	100.0	100.0	21.5
2020	10,320,195	64,144,338	32,724,242	81,632,571	100.0	100.0	21.9
2021	10,787,139	68,862,439	36,053,989	94,048,970	100.0	100.0	39.9
2022	11,241,201	71,651,571	37,597,783	96,867,918	100.0	100.0	37.2
2023	11,806,674	74,384,034	40,775,158	99,312,538	100.0	100.0	32.2
2024	12,385,500	76,338,418	44,541,327	103,756,747	100.0	100.0	33.8
2025	13,033,496	79,378,843	48,017,262	110,505,732	100.0	100.0	37.7

Adoption of FY 2028 Employer and Employee Contribution Rates

Based on the recommendations of the June 30, 2025, Actuarial Valuation Results, it is recommended that the Employer Contribution Rate be set at 22.32% and the Employee Contribution Rate remain at 6%.

Mr. Thomas W. Norwood resigned his position on the TRS Board of Trustees effective December 10, 2025. Georgia law, O.C.G.A. § 47-3-21(a)(10), states this position is appointed by the remaining trustees and states that the Trustee shall:

- be a citizen of Georgia;
- be experienced in the investment of moneys; and,
- not be a member of the TRS.

The Investment Committee has unanimously endorsed Mr. Douglas R. Aldridge, Jr. for appointment to the Board effective July 1, 2026. Attached is a brief resume for your review.

Douglas R. Aldridge, Jr.

Douglas R. Aldridge, Jr. is a Private Wealth Financial Advisor and President of the Aldridge Private Wealth Management Group.

Aldridge has been recognized by Forbes as one of the Forbes Best-in-State Wealth Advisors (2024-2025) and Forbes Top Next-Gen Wealth Advisors (2017-2018). He has over 20 years of experience in financial services, working at a variety of firms, including Morgan Stanley, the Floor of the NYSE, and a boutique Estate Planning firm located overseas. He and his wife are passionate about child welfare and have volunteered through the Safe Families division of Bethany Christian Services and Families First over the years. Aldridge also served on the boards of Families First and Wild Fern Ranch. In 2022, Aldridge was appointed by Governor Kemp; he served on the Board of Regents for the University System of Georgia.

He and his wife, Grace, have six children and are members of Southside Church in Newnan and Chattahoochee Hills, where Aldridge started and led multiple small ministry groups. He graduated with honors from Washington & Lee University with degrees in Spanish and Economics, and he has an MBA from Emory.

TRS Board of Trustees

Election of Board Chair

Fiscal Year 2027

- ☐ Douglas R. Aldridge
- ☐ Mary Elizabeth Davis
- ☐ Kenneth Dyer
- ☐ Greg S. Griffin
- ☐ Steven N. McCoy
- ☐ Christopher A. McGraw
- ☐ Miriam M. Shook
- ☐ Deborah K. Simonds
- ☐ William G. Sloan
- ☐ Christopher M. Swanson

TRS Board of Trustees

Election of Board Vice-Chair

Fiscal Year 2027

- ☐ Douglas R. Aldridge
- ☐ Mary Elizabeth Davis
- ☐ Kenneth Dyer
- ☐ Greg S. Griffin
- ☐ Steven N. McCoy
- ☐ Christopher A. McGraw
- ☐ Miriam M. Shook
- ☐ Deborah K. Simonds
- ☐ William G. Sloan
- ☐ Christopher M. Swanson

FY 2027 Election of

Investment Committee Members

Please Select 6 Members

- ☐ Douglas R. Aldridge
- ☐ Mary Elizabeth Davis
- ☐ Kenneth Dyer*
- ☐ Greg S. Griffin*
- ☐ Steven N. McCoy
- ☐ Christopher A. McGraw*
- ☐ Miriam M. Shook
- ☐ Deborah K. Simonds*
- ☐ William G. Sloan*
- ☐ Christopher M. Swanson

**denotes current members*

FY 2027 COMMITTEE ASSIGNMENTS

Administrative Procedures

Deborah K. Simonds, Chair

Mary Elizabeth Davis

Kenneth Dyer

Christopher A. McGraw

William G. Sloan

Christopher M. Swanson

Audit

Greg S. Griffin, Chair

Kenneth Dyer

Deborah K. Simonds

Goals and Objectives

William G. Sloan, Chair

Mary Elizabeth Davis

Christopher A. McGraw

Miriam M. Shook

Deborah K. Simonds

Christopher M. Swanson

Joint Management

Deborah K. Simonds, Chair

Douglas R. Aldridge

Kenneth Dyer

Christopher A. McGraw

Jason L. Branch

Salary Review

Deborah K. Simonds, Chair

Mary Elizabeth Davis

Kenneth Dyer