



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 30, 2026

The Honorable John Carson
Chairman, House Retirement Committee
State Capitol, Room 401-E
Atlanta, GA 30334

SUBJECT: State Auditor's Certification
Substitute to Senate Bill 143 (LC 56 0711S)

Dear Chairman Carson:

This substitute bill would amend provisions relating to retirement allowances under the Georgia Firefighters' Pension Fund. Specifically, this substitute bill would allow members who have a vested right to the maximum monthly benefit authorized by the Board of Trustees of the Georgia Firefighters' Pension Fund to begin receiving their benefits from the Fund even if they have not terminated their employment or volunteer service as a firefighter. Under current statute, members become eligible for the maximum retirement benefit once they attain the age of 55 years and have 25 years of service. Members who retire under this provision would not be required to make member contributions, and these members would not earn any additional creditable service. Under the provisions of this substitute bill, terminated members who have at least 15 years of membership service in the Fund would be eligible for a monthly benefit once they reach 55 years of age or when the member terminates his or her employment, whichever is later.

Furthermore, this substitute bill would amend provisions relating to membership in the Georgia Judicial Retirement System (JRS). Specifically, this bill would authorize individuals employed as a full-time Georgia Tax Court judge on the effective date of this bill to become a member of the JRS. Currently, such persons participate in the Employees' Retirement System of Georgia (ERS). Any person hired into this position on or after July 1, 2026 will automatically become a member of the JRS. Under the provisions of this bill, the transferring member would be eligible to obtain creditable service in JRS equal to the amount of service time earned in ERS. The ERS would be required to transfer all employee and employer contributions, with interest, to the JRS. The transferring member would then be required to pay any additional amount necessary to fund the full actuarial cost of the creditable service granted.

This is to certify that the provisions of this substitute bill that relate to the Georgia Firefighters' Pension Fund is a reduction in cost amendment as defined in the Public Retirement Systems

Standards Law. An actuarial investigation for these provisions is attached. The provisions of this bill that relate to the Employees' Retirement System of Georgia and the Georgia Judicial Retirement System are a replica of the provisions outlined in House Bill 818 (LC 56 0391). Therefore, the actuarial investigation for HB 818 (LC 56 0391) would apply to this substitute and is attached. The State Auditor's Summary, dated March 30, 2026, summarizes the results of all actuarial investigations referenced above.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Greg S. Griffin". The signature is written in a cursive style with a horizontal line at the end.

Greg S. Griffin
State Auditor

GSG/cs



DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 30, 2026

The Honorable John Carson
Chairman, House Retirement Committee
State Capitol, Room 401-E
Atlanta, GA 30334

SUBJECT: Actuarial Investigation
Substitute to Senate Bill 143 (LC 56 0711S)
Georgia Firefighters' Pension Fund
Employees' Retirement System of Georgia
Georgia Judicial Retirement System

Dear Chairman Carson:

This substitute bill would amend provisions relating to retirement allowances under the Georgia Firefighters' Pension Fund. Specifically, this substitute bill would allow members who have a vested right to the maximum monthly benefit authorized by the Board of Trustees of the Georgia Firefighters' Pension Fund to begin receiving their benefits from the Fund even if they have not terminated their employment or volunteer service as a firefighter. Under current statute, members become eligible for the maximum retirement benefit once they attain the age of 55 years and have 25 years of service. Members who retire under this provision would not be required to make member contributions, and these members would not earn any additional creditable service. Under the provisions of this substitute bill, terminated members who have at least 15 years of membership service in the Fund would be eligible for a monthly benefit once they reach 55 years of age or when the member terminates his or her employment, whichever is later.

Furthermore, this substitute bill would amend provisions relating to membership in the Georgia Judicial Retirement System (JRS). Specifically, this bill would authorize individuals employed as a full-time Georgia Tax Court judge on the effective date of this bill to become a member of the JRS. Currently, such persons participate in the Employees' Retirement System of Georgia (ERS). Any person hired into this position on or after July 1, 2026 will automatically become a member of the JRS. Under the provisions of this bill, the transferring member would be eligible to obtain creditable service in JRS equal to the amount of service time earned in ERS. The ERS would be required to transfer all employee and employer contributions, with interest, to the JRS. The transferring member would then be required to pay any additional amount necessary to fund the full actuarial cost of the creditable service granted.

Georgia Firefighters' Pension Fund

This estimated first-year cost of this substitute bill to the Georgia Firefighters' Pension Fund is \$5,122,000. This amount includes \$4,635,000 each year for the next 20 years to amortize the increase in the unfunded actuarial accrued liability and \$487,000 each year to fund the normal cost. According to

the actuary, the required employer contribution would increase to \$49,657,000 to meet the minimum funding standards. However, since the revenue received into the Fund from taxes on insurance premiums and membership dues currently exceeds the estimated required contribution, no additional funding would be needed to cover the cost of Senate Bill 143 (LC 56 0711S). The cost information is based upon member data, actuarial assumptions, and actuarial methods. Changes to any of these variables could affect the cost of this legislation. Any future costs would be paid from the tax on premiums charged by the fire insurance companies.

The following is a summary of the relevant findings included in the actuarial investigation for the provisions of this bill relating to the Georgia Firefighters' Pension Fund. The investigation was to be conducted according to O.C.G.A. §47-20-36, which outlines the factors to be considered in an actuarial investigation.

(1)	The amount of the unfunded actuarial accrued liability which will result from the bill.	\$ <u>54,256,000</u>
(2)	The amount of the annual amortization of the unfunded actuarial accrued liability which will result from the bill.	\$ <u>4,635,000</u>
(3)	The number of years that the unfunded actuarial accrued liability created by the bill would be amortized.	<u>20</u>
(4)	The amount of the annual normal cost which will result from the bill.	\$ <u>487,000</u>
(5)	The employer contribution rate currently in effect for the Georgia Firefighters' Pension Fund.	<u>1% tax on fire insurance premiums</u>
(6)	The employer contribution rate recommended (in conformity with minimum funding standards specified in O.C.G.A. §47-20-10).	<u>1% tax on fire insurance premiums</u>
(7)	The total dollar amount of the increase in the annual employer contribution which is necessary to maintain the retirement system in an actuarially sound condition.	\$ <u>0*</u>

**The estimated first-year cost of this bill would be \$5,122,000, which would increase the required employer contribution to \$49,657,000. However, current revenue generated from the 1% tax on insurance premiums and member contributions approximates \$61 million, which is sufficient to cover the first-year cost of this bill. No additional funding would be required to meet the concurrent funding requirements of O.C.G.A. §47-20-50.*

Employees' Retirement System of Georgia and Georgia Judicial Retirement System

Currently, there is one person serving as a tax court judge in Georgia and one additional person who has been appointed but has not been sworn in as a tax court judge as of the date of this letter. This legislation would impact the Employees' Retirement System of Georgia (ERS) only if any person serving as a tax court judge on June 30, 2026 elects to transfer their membership from ERS to the Georgia Judicial Retirement System (JRS). If such election is made, the System would realize a \$498,000 increase in the

unfunded actuarial accrued liability because the System would lose the value of the contributions made by or on behalf of the members, the associated earnings, and future earnings from such contributions. However, the impact to the unfunded actuarial accrued liability is not large enough to require an increase in the annual amortization of the unfunded actuarial accrued liability. This bill would not result in an increase in the employer contribution rate for the ERS or require any first-year appropriations. The cost estimate is based on current member data, an estimated payroll of \$3,500,000,000, actuarial assumptions, and actuarial methods. Changes to any of these variables could affect the cost of this legislation. Any future costs would be paid through State appropriations.

This legislation would not have a cost impact on the Georgia Judicial Retirement System (JRS). The amount of creditable service awarded to a transferring member would be determined by the value of the contributions transferred from the ERS, along with any additional amount paid by the transferring member. All persons who become tax court judges on or after July 1, 2026 would be subject to the provisions available to all new members to the JRS. This bill will not result in an increase in the unfunded actuarial accrued liability or cause an increase in the employer contribution rate. The cost estimate is based on current member data, an estimated payroll of \$75,000,000, actuarial assumptions, and actuarial methods. Changes to any of these variables could affect the cost of this legislation. Any future costs would be paid through State appropriations.

The following is a summary of the relevant findings included in the actuarial investigations for the provisions within the bill. The investigations were to be conducted according to O.C.G.A. §47-20-36, which outlines the factors to be considered in an actuarial investigation.

Employees' Retirement System of Georgia

(1)	The amount of the unfunded actuarial accrued liability which will result from the bill.	\$ <u>498,000</u>
(2)	The amount of the annual amortization of the unfunded actuarial accrued liability which will result from the bill.	\$ <u>0</u>
(3)	The number of years that the unfunded actuarial accrued liability created by the bill would be amortized.	<u>N/A</u>
(4)	The amount of the annual normal cost which will result from the bill.	\$ <u>0</u>
(5)	The employer contribution rate currently in effect for Non-GSEPS members.	<u>29.28%*</u>
(6)	The employer contribution rate recommended for non-GSEPS members (in conformity with minimum funding standards specified in O.C.G.A. §47-20-10).	<u>29.28%</u>
(7)	The employer contribution rate currently in effect for GSEPS members.	<u>25.51%*</u>

- | | | |
|-----|---|--------|
| (8) | The employer contribution rate recommended for GSEPS members (in conformity with minimum funding standards specified in O.C.G.A. §47-20-10) | 25.51% |
| (9) | The total dollar amount of the increase in the annual employer contribution which is necessary to maintain the retirement system in an actuarially sound condition. | \$ 0 |

**This rate represents the employer contribution rate that has been recommended by the actuary beginning July 1, 2026, to meet the minimum funding standards.*

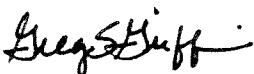
Georgia Judicial Retirement System

- | | | |
|-----|---|--------|
| (1) | The amount of the unfunded actuarial accrued liability which will result from the bill. | \$ 0 |
| (2) | The amount of the annual amortization of the unfunded actuarial accrued liability which will result from the bill. | \$ 0 |
| (3) | The number of years that the unfunded actuarial accrued liability created by the bill would be amortized. | N/A |
| (4) | The amount of the annual normal cost which will result from the bill. | \$ 0 |
| (5) | The employer contribution rate currently in effect for the Georgia Judicial Retirement System. | 9.10%* |
| (6) | The employer contribution rate recommended (in conformity with minimum funding standards specified in O.C.G.A. §47-20-10). | 9.10% |
| (7) | The total dollar amount of the increase in the annual employer contribution which is necessary to maintain the retirement system in an actuarially sound condition. | \$ 0 |

**This rate represents the employer contribution rate that has been recommended by the actuary beginning July 1, 2026, to meet the minimum funding standards.*

It should be noted that these cost estimates are based upon the current provisions of the bill as outlined in Senate Bill 143 (LC 56 0711S). Any subsequent changes in the retirement bill could invalidate the actuarial investigations and the findings included therein.

Respectfully Submitted,



Greg S. Griffin
State Auditor

GSG/cs



March 30, 2026

Mr. Greg Griffin
State Auditor
270 Washington St SW, Room 4-101
Atlanta, GA 30334-8400

SENATE BILL 143 SUBSTITUTE (LC 56 0711S)

Dear Mr. Griffin:

As requested, we have made an actuarial investigation of the impact of the substitute to Senate Bill 143 (LC 56 0711S) on the Georgia Firefighters' Pension Fund (GFPF) in accordance with the requirements of Code Section 47-20-36.

Background

This bill provides that members who retire at age 55 with at least 25 years of service will be allowed to continue in active service while in receipt of their benefit and will not be required to pay monthly dues, however, they will not earn any additional creditable service.

Cost Impacts

We would expect that there would be a large number of retirements right away upon these provisions becoming effective. After that initial swell of retirements, the expected number of additional retirements relative to the current plan provisions would be smaller than the amount above, however, we believe it would be higher than current expectations.

The impact to GFPF would come from a significant number of current members beginning to receive their monthly pension benefits sooner than currently assumed and thus receiving those benefits over a longer period of time over their remaining lifetimes. The estimated increase in the unfunded actuarial accrued liability would be \$54,256,000. The annual normal cost and amortization of the increase in the unfunded accrued liability is estimated to be \$5,122,000 in the first year.

Exhibit A shows the unfunded actuarial accrued liability and recommended employer contributions under the System before and after the proposed legislation. The recommended employer contribution amounts are in conformity with the minimum funding standards specified by Code Section 47-20-10.

The five-year impact of this bill for various actuarial metrics is shown on Exhibit B.



Mr. Greg Griffin
March 30, 2025
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Actuarial Assumptions

The cost estimates, if applicable, contained in this letter are based on the data, methods, assumptions, and provisions used in the June 30, 2024 actuarial valuation for GFPF except that both the "Before" and "After" legislation results reflect the two 1.5% benefit increases granted as of January 1, 2025 and July 1, 2025 bringing the current benefit amount from \$1,012 to \$1,042 per month of service. No future benefit increases, unless otherwise indicated, are assumed.

We believe that it will be very attractive to members to receive a monthly pension while continuing to work and receive a salary in their current position. To model the cost of this legislation we have modified the assumed rates of retirement used in the annual valuation so that 100% of members will retire upon meeting the retirement eligibilities under this bill. Actual experience may turn out to be less than this but we believe this approach provides the most conservative cost impact of what might happen.

The increase in liabilities due to the legislation are amortized over a 20-year period.

Disclosures and Caveats

In order to prepare the results in this investigation, 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.

The comments and analysis contained in this letter are not intended to give exact calculations of costs. They should be considered to be estimates. The emerging costs will vary from those presented in this letter to the extent that actual experience differs from that projected by the actuarial assumptions. This cost analysis has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board (ASB) and the Code of Professional Conduct and Qualification Standards for Public Statement of Actuarial Opinion of the American Academy of Actuaries.

We have not explored any legal issues with respect to the proposed plan analysis. We are not attorneys and cannot give legal advice on such issues. We recognize that the proposed changes may be affected by federal law and strongly suggest that you review this proposal with counsel.



Mr. Greg Griffin
March 30, 2025
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The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

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

Ben Mobley, ASA, FCA, MAAA
Consulting Actuary



EXHIBIT A

GEORGIA FIREFIGHTERS' PENSION FUND

SUBSTITUTE TO SENATE BILL 143 (LC 56 0711S)

Cost	Before Legislation	After Legislation	Increase Due to Legislation
Unfunded Actuarial Accrued Liability	\$278,578,000	\$332,834,000	\$54,256,000
Amount of the Annual Amortization of the Unfunded Actuarial Accrued Liability	\$22,735,000	\$27,370,000	\$4,635,000
Number of Years that the Unfunded Actuarial Accrued Liability would be Amortized	21.8	21.5	-0.3
Annual Contribution (Actuarially Determined Contribution)			
Normal Cost	\$21,800,000	\$22,287,000	\$487,000
Accrued Liability	<u>22,735,000</u>	<u>27,370,000</u>	<u>4,635,000</u>
Employer Contribution Recommended due to Minimum Funding Standards	\$44,535,000	\$49,657,000	\$5,122,000

The preceding figures are based on the employee data, actuarial assumptions, and actuarial methods used to prepare the June 30, 2024 actuarial valuation of the Fund except that both the "Before" and "After" legislation results reflect the two 1.5% benefit increases granted as of January 1, 2025 and July 1, 2025 bringing the current benefit amount from \$1,012 to \$1,042 per month of service.



September 30, 2025

Mr. Greg Griffin
State Auditor
270 Washington St SW, Room 4-101
Atlanta, GA 30334-8400

HOUSE BILL 818 (LC 56 0391)

Dear Mr. Griffin:

As requested, we have made an actuarial investigation of the impact of House Bill 818 (LC 56 0391) on the Employees' Retirement System of Georgia (ERS) in accordance with the requirements of Code Section 47-20-36.

Background

This bill provides that on or after July 1, 2026, any individual employed as a judge in the Georgia Tax Court shall become a member of the Judicial Retirement System of Georgia (JRS) but also provides that any member employed as such may elect to transfer creditable service with ERS to JRS. If such an election is made, the member must pay JRS any remaining amount necessary to cover the full actuarial cost of such transfer after ERS has transferred all employer and employee contributions with regular interest while a member of ERS.

Cost Impacts

This legislation would only impact ERS if the current chief judge and/or the judge that has been nominated to replace him elects to transfer either of their service from ERS to JRS. Our analysis indicates that such a transfer may be an attractive option to these members but ultimately it would be a decision to be made by the members. The following analysis assumes that both members would elect to make the transfer to JRS.

The cost to ERS would stem from the loss of the employer and employee contributions related to these members and the loss of future investment earnings on those amounts. However, this would be partially offset by the elimination of any pension liability to ERS on behalf of these members.

The estimated increase in the unfunded actuarial accrued liability would be \$498,000. However, when the accrued liability contribution rate is calculated to include this amount, the result, when rounded, comes out to the same rate as the baseline. In other words, the change in the rate is less than one basis point. Therefore, the cost of this bill would be approximately \$0 in the first year.

Exhibit A shows the unfunded actuarial accrued liability and recommended employer contributions under the System before and after the proposed legislation. The recommended employer contribution rates are in conformity with the minimum funding standards specified by Code Section 47-20-10.



Mr. Greg Griffin
September 30, 2025
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The five-year impact of this bill for various actuarial metrics is shown on Exhibit B.

Actuarial Assumptions

The cost estimates, if applicable, contained in this letter are based on the data, methods, assumptions, and provisions used in the June 30, 2024 actuarial valuation for ERS. There were no changes in any of the current actuarial assumptions for this actuarial impact letter. The increase in liabilities due to the legislation are amortized over a 20-year period. As can be seen in column (n) of Exhibit B, the funding policy for ERS calls for the employer contribution rate to not decrease by more than 2% from one fiscal year to the next fiscal year.

Disclosures and Caveats

In order to prepare the results in this investigation, 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.

The comments and analysis contained in this letter are not intended to give exact calculations of costs. They should be considered to be estimates. The emerging costs will vary from those presented in this letter to the extent that actual experience differs from that projected by the actuarial assumptions. This cost analysis has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board (ASB) and the Code of Professional Conduct and Qualification Standards for Public Statement of Actuarial Opinion of the American Academy of Actuaries.

We have not explored any legal issues with respect to the proposed plan analysis. We are not attorneys and cannot give legal advice on such issues. We recognize that the proposed changes may be affected by federal law and strongly suggest that you review this proposal with counsel.

The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

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

Ben Mobley, ASA, FCA, MAAA
Consulting Actuary



EXHIBIT A

EMPLOYEES RETIREMENT SYSTEM

HOUSE BILL 818 (LC 56 0391)
 (All amounts are in \$ thousands)

Cost	Before Legislation		After Legislation		Increase Due to Legislation	
Unfunded Actuarial Accrued Liability	\$5,156,679		\$5,157,177		\$498	
Amount of the Annual Amortization of the Unfunded Actuarial Accrued Liability	\$766,500		\$766,500		\$0	
Number of Years that the Unfunded Actuarial Accrued Liability would be Amortized	10.9		10.9		0	
Annual Contribution: Non-GSEPS	%	Annual Amount	%	Annual Amount	%	Annual Amount
Normal Cost	7.38 %	\$ 66,420	7.38 %	\$ 66,420	0.00 %	\$ 0
Accrued Liability	21.90	197,100	21.90	197,100	0.00	0
Employer Contribution Rate Currently in Effect	29.28 %	\$ 263,520	29.28 %	\$ 263,520	0.00 %	\$ 0
Non-GSEPS Employer Contribution Rate Recommended due to Minimum Funding Standards	29.28 %	\$ 263,520	29.28 %	\$ 263,520	0.00 %	\$ 0
Annual Contribution: GSEPS	%	Annual Amount	%	Annual Amount	%	Annual Amount
Normal Cost	3.61 %	\$ 93,860	3.61 %	\$ 93,860	0.00 %	\$ 0
Accrued Liability	21.90	569,400	21.90	569,400	0.00	0
Employer Contribution Rate Currently in Effect	25.51 %	\$ 663,260	25.51 %	\$ 663,260	0.00 %	\$ 0
GSEPS Employer Contribution Rate Recommended due to Minimum Funding Standards	25.51 %	\$ 663,260	25.51 %	\$ 663,260	0.00 %	\$ 0

The preceding figures are based on the employee data, actuarial assumptions, and actuarial methods used to prepare the June 30, 2024 actuarial valuation of the System. An estimated payroll of \$3,500,000,000 was used for the 2026-2027 Plan Year for all participants; \$900,000,000 for Non-GSEPS and \$2,600,000,000 for GSEPS members.



**EXHIBIT B
EMPLOYEES RETIREMENT SYSTEM
HOUSE BILL 818 (LC 56 0391)**

Projected values by year before enactment of proposed pension legislation*

Valuation Year	Fiscal Year End	Assets (Actuarial)	Present Value Future Benefits	Actuarial Accrued Liability	Funded Ratio (f) = (c) / (e)	Unfunded Actuarial Accrued Liability (g) = (e) - (c)	Unfunded Actuarial Liability Rate (h)	Normal Cost (New Plan) (i)	Normal Cost Rate (New Plan) (j)	Total Employer Rate (New Plan) (k) = (h) + (j)	Normal Cost Rate (GSEPs) (m)	Total Employer Rate (GSEPs) (n) = (h) + (m)
2024	2027	\$16,216	\$22,396	\$21,372	75.9%	\$5,156	21.90%	\$71	7.38%	29.28%	\$92	3.61%
2025	2028	\$17,793	\$22,408	\$21,396	83.2%	\$3,603	19.88%	\$63	7.33%	27.21%	\$87	3.63%
2026	2029	\$18,265	\$22,463	\$21,460	85.1%	\$3,195	17.87%	\$56	7.27%	25.14%	\$103	3.64%
2027	2030	\$19,349	\$22,482	\$21,486	90.1%	\$2,137	15.85%	\$49	7.22%	23.07%	\$108	3.66%
2028	2031	\$20,274	\$22,469	\$21,477	94.4%	\$1,203	13.85%	\$43	7.17%	21.02%	\$113	3.66%

* Dollar amounts reported in millions.

Projected values by year after enactment of proposed pension legislation*

Valuation Year	Fiscal Year End	Assets (Actuarial)	Present Value Future Benefits	Actuarial Accrued Liability	Funded Ratio (f) = (c) / (e)	Unfunded Actuarial Accrued Liability (g) = (e) - (c)	Unfunded Actuarial Liability Rate (h)	Normal Cost (New Plan) (i)	Normal Cost Rate (New Plan) (j)	Total Employer Rate (New Plan) (k) = (h) + (j)	Normal Cost Rate (GSEPs) (m)	Total Employer Rate (GSEPs) (n) = (h) + (m)
2024	2027	\$16,216	\$22,396	\$21,372	75.9%	\$5,156	21.90%	\$71	7.38%	29.28%	\$92	3.61%
2025	2028	\$17,793	\$22,408	\$21,396	83.2%	\$3,603	19.88%	\$63	7.33%	27.21%	\$87	3.63%
2026	2029	\$18,265	\$22,463	\$21,460	85.1%	\$3,195	17.87%	\$56	7.27%	25.14%	\$103	3.64%
2027	2030	\$19,349	\$22,482	\$21,486	90.1%	\$2,137	15.85%	\$49	7.22%	23.07%	\$108	3.66%
2028	2031	\$20,274	\$22,469	\$21,477	94.4%	\$1,203	13.85%	\$43	7.17%	21.02%	\$113	3.66%

* Dollar amounts reported in millions.

Changes after enactment of proposed legislation*

Valuation Year	Fiscal Year End	Assets (Actuarial)	Present Value Future Benefits	Actuarial Accrued Liability	Funded Ratio (f) = (c) / (e)	Unfunded Actuarial Accrued Liability (g) = (e) - (c)	Unfunded Actuarial Liability Rate (h)	Normal Cost (New Plan) (i)	Normal Cost Rate (New Plan) (j)	Total Employer Rate (New Plan) (k) = (h) + (j)	Normal Cost Rate (GSEPs) (m)	Total Employer Rate (GSEPs) (n) = (h) + (m)
2024	2027	\$0	(\$0)	(\$0)	0.0%	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%	0.00%
2025	2028	(\$0)	(\$0)	(\$0)	0.0%	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%	0.00%
2026	2029	(\$0)	(\$0)	(\$0)	0.0%	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%	0.00%
2027	2030	\$0	\$0	\$0	0.0%	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%	0.00%
2028	2031	\$0	(\$0)	(\$0)	0.0%	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%	0.00%

* Dollar amounts reported in millions.



September 30, 2025

Mr. Greg Griffin
State Auditor
270 Washington St SW, Room 4-101
Atlanta, GA 30334-8400

HOUSE BILL 818 (LC 56 0391)

Dear Mr. Griffin:

As requested, we have made an actuarial investigation of the impact of House Bill 818 (LC 56 0391) on the Judicial Retirement System of Georgia (JRS) in accordance with the requirements of Code Section 47-20-36.

Background

This bill provides that on or after July 1, 2026, any individual employed as a judge in the Georgia Tax Court shall become a member of JRS but also provides that any member employed as such may elect to transfer creditable service with the Employees' Retirement System (ERS) to JRS. If such an election is made, the member must pay JRS any remaining amount necessary to cover the full actuarial cost of such transfer after ERS has transferred all employer and employee contributions with regular interest while a member of ERS.

Cost Impacts

Since this legislation states that members must pay to the Board of Trustees an amount sufficient to cover the full actuarial cost of granting such creditable service, we believe there is no cost impact to JRS.

Actuarial Assumptions

The cost estimates, if applicable, contained in this letter are based on the data, methods, assumptions, and provisions used in the June 30, 2024 actuarial valuation for JRS. There were no changes in any of the current actuarial assumptions for this actuarial impact letter.



Mr. Greg Griffin
September 30, 2025
Page 2

Disclosures and Caveats

In order to prepare the results in this investigation, 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.

The comments and analysis contained in this letter are not intended to give exact calculations of costs. They should be considered to be estimates. The emerging costs will vary from those presented in this letter to the extent that actual experience differs from that projected by the actuarial assumptions. This cost analysis has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board (ASB) and the Code of Professional Conduct and Qualification Standards for Public Statement of Actuarial Opinion of the American Academy of Actuaries.

We have not explored any legal issues with respect to the proposed plan analysis. We are not attorneys and cannot give legal advice on such issues. We recognize that the proposed changes may be affected by federal law and strongly suggest that you review this proposal with counsel.

The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted.

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

Ben Mobley, ASA, FCA, MAAA
Consulting Actuary



EXHIBIT A

JUDICIAL RETIREMENT SYSTEM

HOUSE BILL 818 (LC 56 0391)
 (All amounts are in \$ thousands)

Cost	Before Legislation		After Legislation		Increase Due to Legislation	
Unfunded Actuarial Accrued Liability	\$ (27,413)		\$ (27,413)		\$ 0	
Amount of the Annual Amortization of the Unfunded Actuarial Accrued Liability	\$(3,735)		\$(3,735)		\$ 0	
Number of Years that the Unfunded Actuarial Accrued Liability would be Amortized	9.9		9.9		0	
Annual Contribution:	%	Annual Amount	%	Annual Amount	%	Annual Amount
Normal Cost	14.08 %	\$ 10,560	14.08 %	\$ 10,560	0.00 %	\$ 0
Accrued Liability	(4.98)	(3,735)	(4.98)	(3,735)	0.00	0
Employer Contribution Rate Currently in Effect	9.10 %	\$ 6,825	9.10 %	\$ 6,825	0.00 %	\$ 0
Employer Contribution Rate Recommended due to Minimum Funding Standards	9.10 %	\$ 6,825	9.10 %	\$ 6,825	0.00 %	\$ 0

The preceding figures are based on the employee data, actuarial assumptions, and actuarial methods used to prepare the June 30, 2024 actuarial valuation of the System. An estimated payroll of \$75,000,000 was used for the 2026-2027 Plan Year for all participants.