

**City of Atlanta General Employees' Pension Fund
Employees of the Atlanta Board of Education**

*Actuarial Valuation and Review
as of July 1, 2007*

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March 3, 2008

*Board Members
City of Atlanta General Employees' Pension Fund
Atlanta, Georgia*

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of January 1, 2007. This report outlines the valuation results for the participating employees of the Atlanta Board of Education. It summarizes the actuarial data used in the valuation, establishes the funding requirements for fiscal 2008 and analyzes the preceding year's experience.

The census information on which our calculations were based was prepared by the City. The actuarial calculations were completed under the supervision of Martha A. Mabry, MAAA, Enrolled Actuary.

I hereby certify that the City of Atlanta General Employees' Pension Fund for the Employees of the Atlanta Board of Education has been funded in conformity with the minimum funding standards specified in Code Section 47-20-10 of the Official Code of Georgia Annotated known as the Public Retirement Systems Standards Law. This certification covers the 2007 fiscal year of the Plan.

This actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Board are reasonably related to the experience of and the expectations for the Plan.

We look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely,

THE SEGAL COMPANY

By:

*Leon F. Joyner, Jr., FCA, ASA, MAAA
Vice President and Actuary*

*Martha A. Mabry
Associate Actuary
Enrolled Actuary No. 05-5400*

*Eric J. Atwater
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SECTION 1: Valuation Summary for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Purpose

This report has been prepared by The Segal Company to present a valuation of the City of Atlanta General Employees' Pension Fund for Employees of the Atlanta Board of Education as of July 1, 2007. This valuation reflects a change in the Plan Year from January 1 through December 31 to July 1 through June 30. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits. The contribution requirements presented in this report are based on:

- The benefit provisions of the Pension Plan, as administered by the Board;
- The characteristics of covered active participants, inactive vested participants, and retired participants and beneficiaries as of December 31, 2006, provided by the City;
- The assets of the Plan as of June 30, 2007, provided in cash statements by the Administrative Office;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

Executive Summary

- The plan currently receives employee contributions of 6% or 7% of base salary and the City contributes an amount to make up the difference between the employee contributions and the recommended contribution amount. The recommended contribution amount is actuarially determined as a level percentage of payroll and designed to eliminate the unfunded actuarial accrued liability as of December 31, 2018.
- The City's recommended contribution is \$59,494,179 for the 2008 Plan Year. This amount is an increase of \$9,412,104, or 18.8%, over the prior valuation's cost. The increase in cost is due primarily to plan changes, changes in actuarial assumptions and the impact of the decreasing amortization period, as outlined on page 13.
- The market value of assets earned 10.3% over the 18-month period from January 1, 2006 through June 30, 2007. On an annualized basis, the market value of assets return is 6.7%. To minimize the impact of market fluctuations on the City's required contributions, the Plan uses an asset valuation method that recognizes 20% of each year's net market value appreciation or depreciation. Based on this methodology, the Plan's actuarial value of assets earned 8.6% on an annualized basis, compared with the valuation assumption of 8.0%, generating an investment gain of \$1,439,830.

SECTION 1: Valuation Summary for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

- This actuarial valuation report as of July 1, 2007 is based on financial information as of that date provided by the Administrative Office. Changes in the value of assets subsequent to that date, to the extent that they exist, are not reflected. Declines in asset values will increase the actuarial cost of the Plan, while increases will lower the actuarial cost of the Plan. For example, a 10% change in the current year's actuarial value of assets would produce a \$1,421,004 change in the recommended contribution level. Because the actuarial value of assets involves a smoothing method, a 10% change in market value would not be fully reflected immediately in the actuarial value of assets. Rather, that effect would be spread over a period of years. We have shown the full impact immediately in order to indicate the sensitivity of costs to market fluctuations.
- This valuation reflects changes in the assumption for participant mortality from the Group Annuity Mortality Table of 1983 with ages set forward one year to the more up-to-date RP2000 Mortality Table and in the assumption for terminated participants who elect a refund of their contributions.
 - The RP2000 Mortality Table was chosen to reflect recent improvements in life expectancies.
 - Due to recent Plan changes and experience, the assumption for the percentage of terminated participants who elect a refund of their contributions was lowered from 100% to 50%. This change is outlined in more detail later in this section.
 - The changes in actuarial assumptions are based on a brief review of recent experience, but we suggest a full review of all experience. It is typical for Plans to conduct a full experience review every three to five years. The City has not conducted such a study during that period. Therefore, we recommend a full review of the past five years of experience.
- This valuation reflects the following plan changes adopted by the Board on December 12, 2005 with final decisions on the amortization schedule adopted February 13, 2006:
 - 10 year vesting
 - 2.5% benefit multiplier (capped at 80%)
 - Unreduced retirement at 30 years of service regardless of age

SECTION 1: Valuation Summary for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

- As noted previously, this valuation reflects an updated liability for former participants who have vested rights to a deferred benefit. In last year's valuation, we estimated a monthly benefit of \$2,000 for inactive vested participants. However, in this year's valuation monthly benefits for these participants were estimated based on service and salary data provided. The actual benefits for these participants may vary from that estimated. The participants valued were determined based on a listing of terminated employees provided by the City, compared against a listing of participants who received refunds. A participant who terminated employment and did not receive a refund of his or her contributions was assumed to be entitled to a deferred vested benefit based on service data provided.

SECTION 1: Valuation Summary for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Summary of Key Valuation Results

	July 1, 2007	January 1, 2006
Contributions for Plan Year :		
1. Normal cost	\$4,201,394	\$2,841,430
2. Expected employee contributions	1,853,074	1,674,619
3. Payment to amortize unfunded liability	<u>52,434,743</u>	<u>44,949,456</u>
4. Total required city annual contributions (1-2+3)*	\$56,932,229	\$47,925,431
5. Projected city contribution for the next year	59,494,179	50,082,075
6a. Actuarial value of assets	133,058,241	116,866,067
b. Market value of assets	161,816,360	146,082,584
7. Actuarial accrued liability	643,301,615	600,055,443
GASB 25/27 for plan year beginning January 1:		
Annual required contributions at beginning of year	\$54,783,063	\$46,116,267
Actual employer contributions	--	46,116,267
Percentage contributed	--	100%
Demographic data for plan year beginning January 1:		
Number of retired participants and beneficiaries	2,485	2,552
Number of terminated vested participants	148	148
Number of active participants	1,026	974
Total payroll	\$29,105,414	\$26,185,568
Average payroll	28,368	26,885

* Adjusted for timing

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

A. PARTICIPANT DATA

The Actuarial Valuation and Review considers the number and demographic characteristics of covered participants, including active participants, vested terminated participants, retired participants and beneficiaries. While the Plan Year changed to July 1 with this valuation, the participant data was provided as of December 31, 2006.

This section presents a summary of significant statistical data on these participant groups.

More detailed information for this valuation year and the preceding valuation can be found in Section 3, Exhibits A, B, and C.

A historical perspective of how the participant population has changed over the past ten valuations can be seen in this chart.

CHART 1
Participant Population: 1995 – 2006

Year Ended December 31	Active Participants	Vested Terminated Participants	Retired Participants and Beneficiaries	Ratio of Non-Actives to Actives
1995	2,099	--	2,804	1.34
1997	1,866	--	2,767	1.48
1999	1,751	--	2,743	1.57
2000	1,686	--	2,591	1.54
2001	1,684	--	2,500	1.48
2002	1,774	--	2,479	1.40
2003	1,700	--	2,418	1.42
2004	1,499	--	2,421	1.62
2005	974	148	2,552	2.77
2006	1,026	148	2,485	2.57

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Active Participants

Plan costs are affected by the age, years of service and payroll of active participants. In this year's valuation, there were 1,026 active participants with an average age of 49.1, average years of service of 13.6 years and average payroll of \$28,368. The 974 active participants in the prior valuation had an average age of 48.3, average service of 13.2 years and average payroll of \$26,885.

Among the active participants, there were no participants with unknown age and/or service information.

Inactive Participants

In this year's valuation, there were 148 participants and 6 beneficiaries with a vested right to a deferred or immediate vested benefit. There were also 148 participants and 6 beneficiaries in the prior valuation.

These graphs show a distribution of active participants by age and by years of service.

CHART 2
Distribution of Active Participants by Age as of December 31, 2006

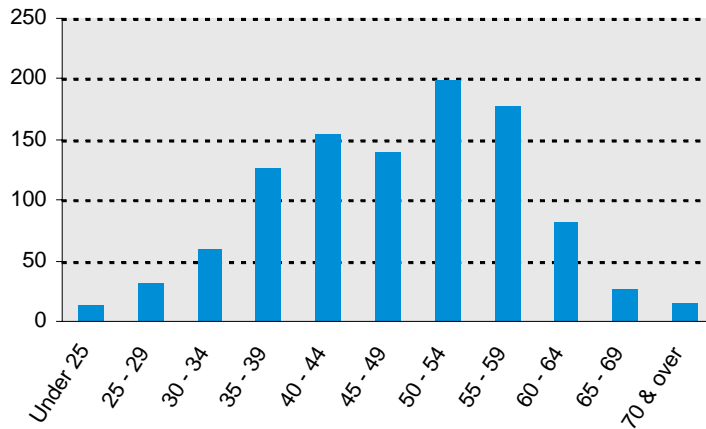
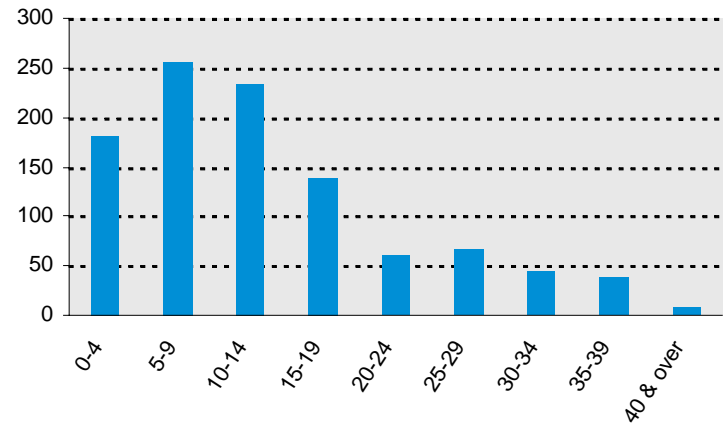


CHART 3
Distribution of Active Participants by Years of Service as of December 31, 2006



SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Retired Participants and Beneficiaries

As of December 31, 2006, 2,150 retired participants and 329 beneficiaries were receiving total monthly benefits of \$4,231,272. For comparison, in the previous valuation, there were 2,220 retired participants and 326 beneficiaries receiving monthly benefits of \$4,135,228.

These graphs show a distribution of the current retired participants and beneficiaries based on their monthly amount and age, by type of pension.

CHART 4
Distribution of Retired Participants and Beneficiaries by Type and by Monthly Amount as of December 31, 2006

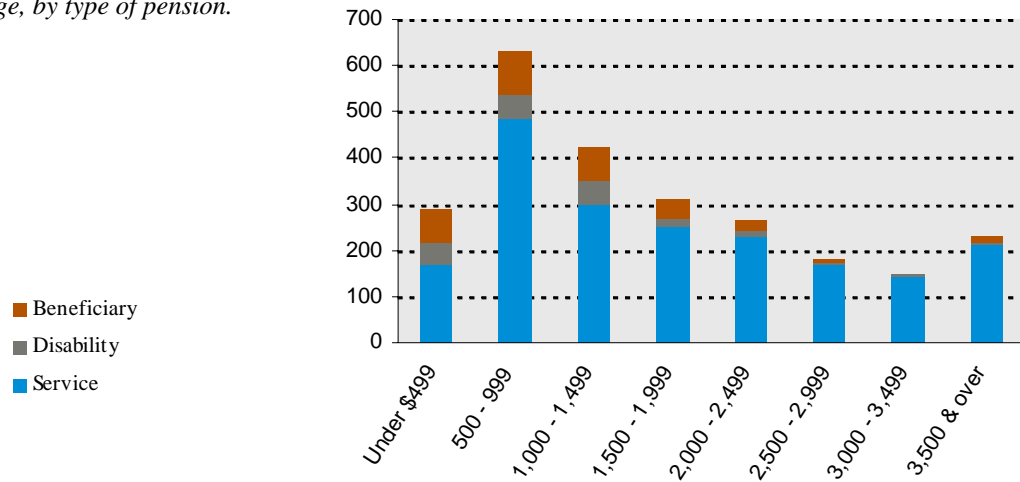
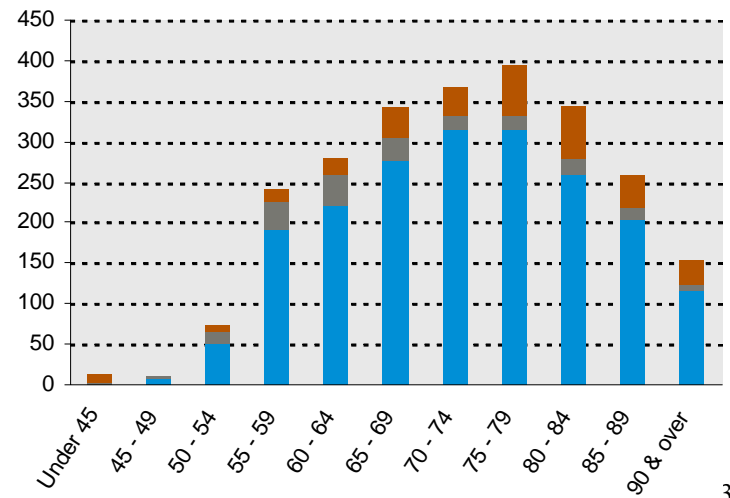


CHART 5
Distribution of Retired Participants and Beneficiaries by Type and by Age as of December 31, 2006



SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

B. FINANCIAL INFORMATION

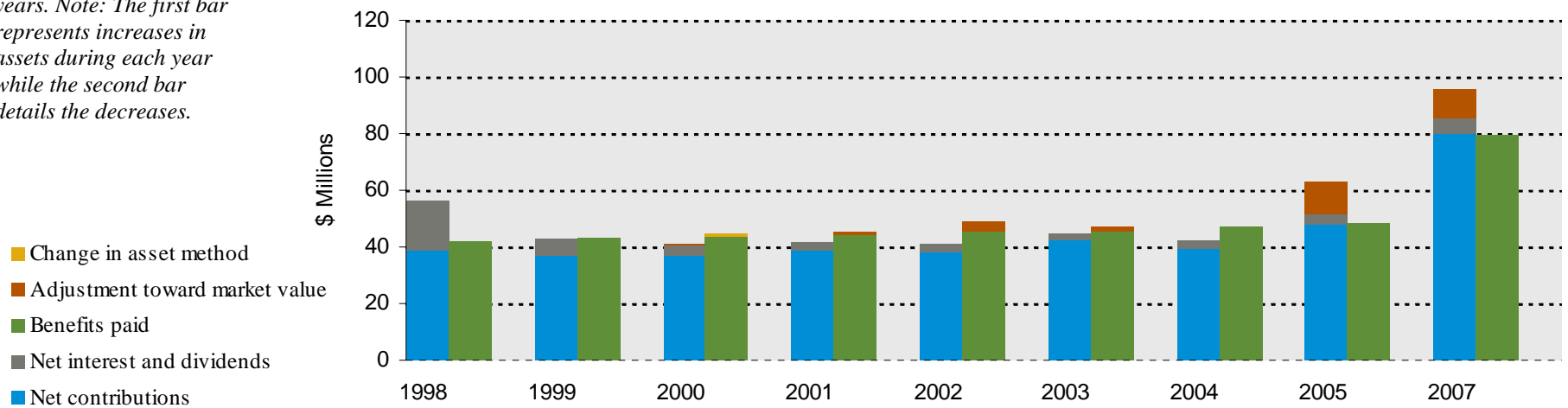
Retirement plan funding anticipates that, over the long term, both net contributions and net investment earnings (less investment fees and administrative expenses) will be needed to cover benefit payments.

Retirement plan assets change as a result of the net impact of these income and expense components. Additional financial information, including a summary of these transactions for the valuation year, is presented in Section 3, Exhibits D and E.

With this valuation, the Plan Year changed to July 1 through June 30.

The chart depicts the components of changes in the actuarial value of assets over the last nine years. Note: The first bar represents increases in assets during each year while the second bar details the decreases.

CHART 6
Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended December 31, 1998 – 2005 and June 30, 2007*



* The Plan Year was changed from January 1 to July 1, effective July 1, 2007.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

The chart shows the determination of the actuarial value of assets as of the valuation date.

CHART 7

Determination of Actuarial Value of Assets for Year Ended June 30, 2007

Actuarial Value as of January 1, 2006				\$116,866,067
Net new money (contributions plus dividends and interest less expenses and benefit payments)				6,437,715
20% of asset appreciation/(depreciation) for the current year and the four prior years				9,754,459
	Year Ended June 30:	Asset Appreciation/ (Depreciation)	20% Amount	
	2007*	\$9,296,061	\$1,859,212	
	December 31:			
	2005	36,275,179	7,255,036	
	2004	6,559,207	1,311,841	
	2003	11,144,549	2,228,910	
	2002	<u>-14,502,700</u>	<u>-2,900,540</u>	
	Total	\$48,772,296	\$9,754,459	
Preliminary Actuarial Value as of June 30, 2007				\$133,058,241
Adjustment to be within 20% corridor				\$0
Actuarial Value of Assets as of June 30, 2007				133,058,241
Market Value of Assets as of June 30, 2007				161,816,360
Actuarial Value as a percentage of Market Value				82.2%

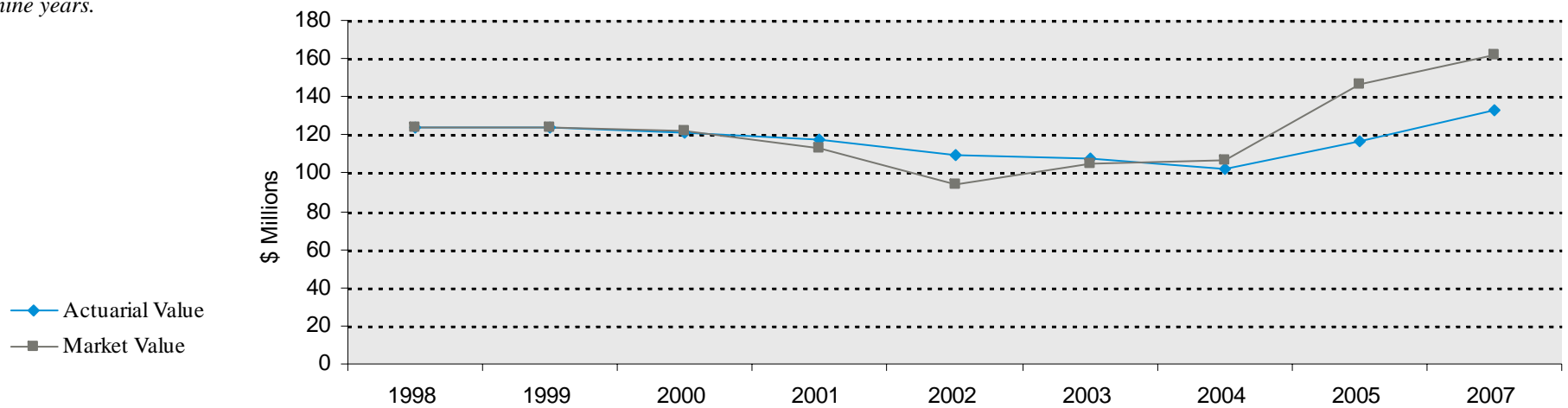
The Plan year was changed from January 1 to July 1, effective July 1, 2007. Therefore, the asset appreciation for the year ended June 30, 2007 represents the 18-month period from January 1, 2006 through June 30, 2007.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Both the actuarial value and market value of assets are representations of the Employees of the Atlanta Board of Education's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The actuarial asset value is significant because the Employees of the Atlanta Board of Education's liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the unfunded actuarial accrued liability is an important element in determining the contribution requirement.

This chart shows the change in the actuarial value of assets versus the market value over the past nine years.

CHART 8
Actuarial Value of Assets vs. Market Value of Assets as of December 31, 1998 – 2005 and June 30, 2007*



* The Plan Year was changed from January 1 to July 1, effective July 1, 2007.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

C. ACTUARIAL EXPERIENCE

To calculate the required contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), the contribution requirement will decrease from the previous year. On the other hand, the contribution requirement will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term

development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

The total loss is \$9,888,169, comprised of a gain of \$1,439,830 from investments offset by a loss of \$11,327,999 from all other sources. The net experience variation from individual sources other than investments was 1.9% of the actuarial accrued liability. A discussion of the major components of the actuarial experience is on the following pages.

This chart provides a summary of the actuarial experience over the past 18 months.

**CHART 9
Actuarial Experience for Period Ended June 30, 2007**

1. Net gain from investments*	\$1,439,830
2. Net loss from other experience**	<u>-11,327,999</u>
3. Net experience loss: (1) + (2)	-\$9,888,169

* Details in Chart 10

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Investment Rate of Return

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the Employees of the Atlanta Board of Education's investment policy. For valuation purposes, the assumed rate of return on the actuarial value of assets is 8.00%. The annualized actual rate of return on an actuarial basis for the 2007 plan year was 8.64%.

Since the actual return for the year was greater than the assumed return, the Employees of the Atlanta Board of Education experienced an actuarial gain for the 18 month period ending June 30, 2007 with regard to its investments.

This chart shows the gain due to investment experience.

**CHART 10
Actuarial Value Investment Experience**

	Year Ended June 30, 2007
1. Actual return*	\$15,504,989
2. Average value of assets	175,814,489
3. Actual rate of return**	8.64%
4. Assumed rate of return	8.00%
5. Expected return: (2) x (4)	\$14,065,159
6. Actuarial gain: (1) – (5)	<u>\$1,439,830</u>

* For the 18-month period beginning January 1, 2006 through June 30, 2007

** Annualized

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Because actuarial planning is long term, it is useful to see how the assumed investment rate of return has followed actual experience over time. The chart below shows the rate of return on an actuarial basis compared to the market value investment return for the last ten years, including five-year and ten-year averages.

We have maintained the assumed rate of return of 8.00%.

CHART 11

Investment Return – Actuarial Value vs. Market Value: 1998 - 2007

Year Ended December 31/June 30*	Net Interest and Dividend Income		Recognition of Capital Appreciation		Change in Asset Method		Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1998	\$17,702,000	16.43%	--	--	--	--	\$17,702,000	16.43%	\$17,702,000	16.43%
1999	5,727,000	4.74	--	--	--	--	5,727,000	4.74	5,727,000	4.74
2000	3,535,700	2.94	\$327,580	0.27%	-\$1,310,320	-1.09%	2,552,960	3.21	5,173,600	4.30
2001	3,186,300	2.70	-1,041,920	-0.88	--	--	2,144,380	1.82	-3,661,200	-3.07
2002	3,092,800	2.72	-3,942,460	-3.46	--	--	-849,660	-0.75	-11,409,900	-10.43
2003	2,904,228	2.70	-1,713,550	-1.59	--	--	1,190,678	1.11	14,048,777	15.16
2004	2,872,590	2.77	-401,709	-0.39	--	--	2,470,881	2.39	9,431,797	9.30
2005	3,423,209	3.36	11,822,177	11.59	--	--	15,245,386	14.95	39,698,388	37.20
2007**	<u>5,750,531</u>	3.21	<u>9,754,459</u>	5.43	--	--	<u>15,504,990</u>	8.64	<u>15,046,591</u>	6.74
Total	\$48,194,358		\$14,804,577		-\$1,310,320		\$61,688,615		\$91,757,053	
							Five-year average return	5.57%		10.61%
							Ten-year average return	6.95%		9.21%

Note: Each year's yield is weighted by the average asset value in that year.

* The Plan Year was changed from January 1 to July 1, effective July 1, 2007.

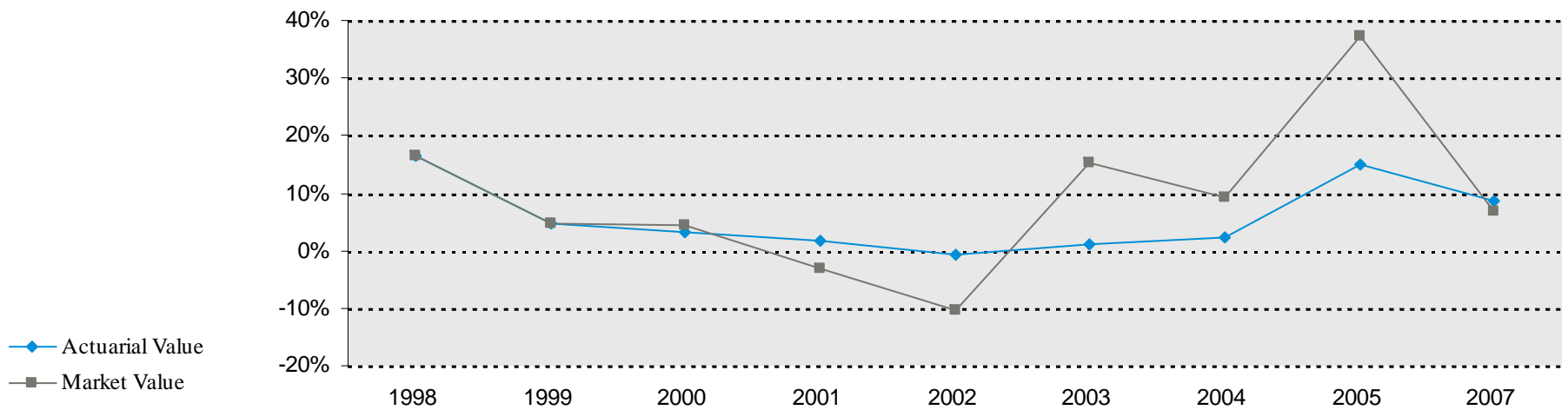
** The amounts for the year ended June 30, 2007 represent the 18-month period from January 1, 2006 through June 30, 2007. The percentages shown have been annualized.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Subsection B described the actuarial asset valuation method that gradually takes into account fluctuations in the market value rate of return. The effect of this is to stabilize the actuarial rate of return, which contributes to leveling pension plan costs.

This chart illustrates how this leveling effect has actually worked over the years 1998 - 2007 .

CHART 12
Market and Actuarial Rates of Return for Years Ended December 31, 1998 – 2005 and June 30, 2007*



* The Plan Year was changed from January 1 to July 1, effective July 1, 2007.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Other Experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- the extent of turnover among the participants,
- retirement experience (earlier or later than expected),
- mortality (more or fewer deaths than expected),
- the number of disability retirements, and
- salary increases different than assumed.

The net loss from this other experience for the 18-month period ending June 30, 2007 amounted to \$11,327,998 which is 1.9% of the actuarial accrued liability.

This loss is primarily the result of fewer retirements and terminations than expected as well as longer life expectancy among participants.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

D. RECOMMENDED CONTRIBUTION

The recommended contribution is based on a 40-year amortization of the unfunded actuarial accrued liability as directed by the Board of Trustees in accordance with the City Charter. As of July 1, 2007, there are 11.5 years remaining on this schedule.

The contribution rates as of July 1, 2007 are based on all of the data described in the previous sections, the actuarial assumptions described in Section 4, and the Plan provisions adopted at the time of preparation of the Actuarial Valuation.

The chart compares this valuation's recommended contribution with the prior valuation.

**CHART 13
Recommended Contribution**

	Year Beginning	
	July 1, 2007	January 1, 2006
	Amount	Amount
1. Total normal cost	\$4,201,394	\$2,841,430
2. Expected employee contributions	<u>-1,853,074</u>	<u>-1,674,619</u>
3. Employer normal cost: (1) + (2)	\$2,348,320	\$1,166,811
4. Actuarial accrued liability	643,301,615	600,055,443
5. Actuarial value of assets	<u>133,058,241</u>	<u>116,866,067</u>
6. Unfunded actuarial accrued liability: (4) - (5)	\$510,243,374	\$483,189,376
7. Payment on unfunded actuarial accrued liability	52,434,743	44,949,456
8. Total recommended contribution: (3) + (7), adjusted for timing*	<u>\$56,932,229</u>	<u>\$47,925,431</u>
9. Projected payroll	\$29,105,414	\$26,185,568
10. Projected City contribution for next year	\$59,494,179	\$50,082,075

*Recommended contributions are assumed to be paid at the middle of every year.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Reconciliation of Recommended Contribution

The chart below details the changes in the recommended contribution from the prior valuation to the current year's valuation.

The chart reconciles the contribution from the prior valuation to the amount determined in this valuation.

CHART 14

Reconciliation of Recommended Contribution from January 1, 2006 to July 1, 2007

Recommended Contribution as of January 1, 2006	\$47,925,431
Effect of decreasing amortization period	\$3,153,117
Effect of plan changes	3,129,648
Effect of change in actuarial assumptions	1,913,066
Effect of investment gain	-153,768
Effect of other gains and losses on accrued liability	1,209,781
Effect of contributions more than recommended contribution	-611,716
Effect of net other changes	<u>366,670</u>
Total change	<u>\$9,006,798</u>
Recommended Contribution as of July 1, 2007	\$56,932,229

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

E. INFORMATION REQUIRED BY THE GASB

Governmental Accounting Standards Board (GASB) reporting information provides standardized information for comparative purposes of governmental pension plans. This information allows a reader of the financial statements to compare the funding status of one governmental plan to another on relatively equal terms.

Critical information to GASB is the historical comparison of the GASB required contribution to the actual contributions. This comparison demonstrates whether a plan is being funded within the range of the GASB reporting requirements. Chart 16 below presents a graphical representation of this information for the Plan.

The other critical piece of information regarding the Plan's financial status is the funded ratio. This ratio compares the actuarial value of assets to the actuarial accrued liabilities of the plan as calculated under GASB. High ratios indicate a well-funded plan with assets sufficient to pay most benefits. Lower ratios may indicate recent changes to benefit structures, funding of the plan below actuarial requirements, poor asset performance, or a variety of other factors.

The details regarding the calculations of these values and other GASB numbers may be found in Section 4, Exhibits II, III, and IV.

SECTION 2: Valuation Results for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

F. STATE MINIMUM REQUIREMENTS

Under Georgia minimum funding requirements, liability may be amortized as a percent of payroll, rather than a fixed dollar amount. In general, with fixed dollar amortization, actual experience close to the assumptions will result in a total contribution requirement (the normal cost plus the payment on the unfunded actuarial liability) that decreases over time as a percentage of payroll. With percentage of payroll amortization, given expected experience, the total contribution requirement should remain level as a percentage of payroll if the aggregate payroll increases as assumed. (It should be noted that pensioner increases are an exception and must be amortized as a fixed dollar amount over 10 years.)

Your Fund has adopted the policy of amortizing the unfunded actuarial liability as a level percentage of payroll over 40 years from January 1, 1979. The contributions determined under this method continue to meet the Georgia minimum funding requirements.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT A

Table of Plan Coverage

Category	Year Ended December 31,		Change From Prior Year
	2006	2005	
Active participants in valuation:			
Number	1,026	974	5.3%
Average age	49.1	48.3	N/A
Average service	13.6	13.2	N/A
Total payroll	\$29,105,414	\$26,185,568	11.2%
Average payroll	28,368	26,885	5.5%
Account balances	36,494,284	34,693,304	5.2%
Total active vested participants	878	809	8.5%
Vested terminated participants	148	148	0.0%
Beneficiaries with rights to a deferred benefit	6	6	0.0%
Retired participants:			
Number in pay status	1,956	2,021	-3.2%
Average age	74.1	73.1	N/A
Average monthly benefit	\$1,857	\$1,765	5.2%
Disabled participants:			
Number in pay status	194	199	-2.5%
Average age	68.6	68.0	N/A
Average monthly benefit	\$1,067	\$1,036	3.0%
Beneficiaries:			
Number in pay status	329	326	0.9%
Average age	76.7	76.1	N/A
Average monthly benefit	\$1,194	\$1,110	7.6%

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT B

**Participants in Active Service as of December 31, 2006
By Age, Years of Service, and Average Payroll**

Age	Years of Service									
	Total	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over
Under 25	13	13	--	--	--	--	--	--	--	--
	\$8,675	\$8,675	--	--	--	--	--	--	--	--
25 - 29	31	24	7	--	--	--	--	--	--	--
	11,651	8,989	\$20,777	--	--	--	--	--	--	--
30 - 34	60	25	23	12	--	--	--	--	--	--
	19,507	14,723	21,121	\$26,378	--	--	--	--	--	--
35 - 39	126	36	42	35	11	2	--	--	--	--
	20,903	13,091	18,671	25,897	\$35,536	\$40,562	--	--	--	--
40 - 44	154	33	44	39	33	5	--	--	--	--
	24,172	15,565	20,595	25,460	33,331	41,957	--	--	--	--
45 - 49	140	16	36	34	23	18	13	--	--	--
	26,435	15,763	20,147	24,876	31,297	35,882	\$39,372	--	--	--
50 - 54	199	19	42	43	39	17	26	12	1	--
	29,283	14,892	20,223	26,427	32,271	34,210	47,508	\$36,434	\$46,160	--
55 - 59	178	11	25	41	25	14	19	20	22	1
	33,914	12,061	21,194	26,736	32,596	32,974	46,439	51,050	48,041	\$41,241
60 - 64	83	2	22	17	7	2	8	10	13	2
	33,811	10,312	19,835	26,310	34,394	31,414	37,286	48,840	54,986	48,463
65 - 69	27	3	11	8	--	2	--	2	--	1
	27,447	29,080	17,209	18,492	--	60,505	--	51,377	--	92,822
70 & over	15	--	3	4	1	--	--	--	2	5
	33,761	--	31,307	21,054	17,875	--	--	--	46,440	43,505
Total	1,026	182	255	233	139	60	66	44	38	9
	\$28,368	\$13,501	\$20,179	\$25,638	\$32,682	\$36,064	\$44,358	\$46,577	\$50,283	\$49,835

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT C

Reconciliation of Participant Data

	Active Participants	Vested Former Participants*	Disableds	Retired Participants	Beneficiaries	Total
Number as of January 1, 2006	974	154	199	2,021	326	3,674
New participants	55	N/A	N/A	N/A	N/A	55
Show-ups	0	44	N/A	N/A	21	65
Terminations	-19	17	0	0	0	-2
Retirements	-7	-9	N/A	16	N/A	0
New disabilities	0	0	0	N/A	N/A	0
Died	0	0	-9	-87	-17	-113
Refunds	-3	-1	0	0	0	-4
Rehired	26	-25	0	-1	N/A	0
Data adjustments	<u>0</u>	<u>-26</u>	<u>4</u>	<u>7</u>	<u>-1</u>	<u>-16</u>
Number as of January 1, 2007	1,026	154	194	1,956	329	3,659

* Includes 6 deferred beneficiaries as of January 1, 2006 and January 1, 2007.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis

	Year Ended June 30, 2007*	Year Ended December 31, 2005
Contribution income:		
Employer contributions	\$72,590,781	\$45,125,221
Employee contributions	<u>7,363,073</u>	<u>2,763,397</u>
Net contribution income	\$79,953,854	\$47,888,618
Investment income:		
Interest, dividends and other income	\$6,754,350	\$3,925,503
Adjustment toward market value	9,754,458	11,822,177
Less investment and administrative expenses	<u>-1,003,819</u>	<u>-502,294</u>
Net investment income	<u>15,504,989</u>	<u>15,245,386</u>
Total income available for benefits	\$95,458,843	\$63,137,004
Less benefit payments:		
Pension payments	-\$78,252,517	-\$47,596,013
Early withdrawals	-1,014,152	-963,746
Refunds	<u>0</u>	<u>-10,132</u>
Net benefit payments	-\$79,266,669	-\$48,569,891
Change in reserve for future benefits	\$16,192,174	\$14,564,113

* The amounts shown are for the 18-month period January 1, 2006 through June 30, 2007.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT E

Development of the Fund Through June 30, 2007

Year Ended	Employer Contributions	Employee Contributions*	Net Investment Return**	Benefit Payments	Actuarial Value of Assets at End of Year
December 31					
1997	\$33,335,000	\$0	\$17,705,000	\$40,204,000	\$109,278,000
1998	38,488,000	0	17,702,000	41,535,000	123,933,000
1999	31,027,500	6,013,100	5,727,000	43,200,000	123,501,000
2000	33,837,600	3,306,500	2,552,960	43,698,700	120,809,680
2001	35,072,400	3,743,300	2,144,380	44,223,500	117,546,260
2002	35,136,900	2,916,700	-849,660	45,382,700	109,367,500
2003	38,675,940	3,562,376	1,190,678	45,472,509	107,323,985
2004	36,321,730	3,176,869	2,470,881	46,991,511	102,301,954
2005	45,125,221	2,763,397	15,245,386	48,569,891	116,866,067
June 30					
2007***	72,590,781	7,363,073	15,504,990	79,266,669	133,058,241

* Prior to December 31, 1999, the break out of employee contributions was not readily available.

** Net of investment fees and administrative expenses and includes \$1,310,320 adjustment in 2000 for asset method change.

*** The Plan Year was changed from January 1 to July 1, effective July 1, 2007, Therefore, the amounts as of June 30, 2007 represent the 18-month period from January 1, 2006 through June 30, 2007.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT F

Development of Unfunded Actuarial Accrued Liability

	June 30, 2007
1. Unfunded actuarial accrued liability as of January 1, 2006	\$483,189,376
2. Total normal cost as of January 1, 2006	2,841,430
3. Interest to December 31, 2006	<u>38,882,464</u>
4. Expected unfunded actuarial accrued liability as of December 31, 2006	\$524,913,270
5. Total normal cost as of January 1, 2007*	1,484,647
6. Total contributions**	-79,953,854
7. Interest to July 1, 2007	
(a) For half year on (4) + (5)	\$21,055,917
(b) For ¾ year on (6)	<u>-4,797,231</u>
(c) Total	<u>16,258,685</u>
8. Expected unfunded actuarial accrued liability as of July 1, 2007	462,702,749
9. Changes due to:	
(a) Experience loss	9,888,169
(b) Assumption changes	14,719,525
(c) Plan change	<u>22,932,931</u>
(d) Total	<u>47,540,625</u>
10. Unfunded actuarial accrued liability as of July 1, 2007	<u>\$510,243,374</u>

* Represents normal cost for period January 1, 2007 through June 30, 2007.

** For 18-month period January 1, 2006 through June 30, 2007. Contributions are assumed to be paid at the middle of the period.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT G

Definitions of Pension Terms

The following list defines certain technical terms for the convenience of the reader:

Assumptions or Actuarial

Assumptions:

The estimates on which the cost of the Plan is calculated including:

- (a) Investment return — the rate of investment yield that the Plan will earn over the long-term future;
- (b) Mortality rates — the death rates of employees, terminated vested participants, beneficiaries and pensioners; life expectancy is based on these rates;
- (c) Retirement rates — the rate or probability of retirement at a given age;
- (d) Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.

Normal Cost:

The amount of contributions required to fund the benefit allocated to the current year of service.

Actuarial Accrued Liability

For Actives:

The equivalent of the accumulated normal costs allocated to the years before the valuation date.

Actuarial Accrued Liability

For Pensioners:

The single sum value of lifetime benefits to existing pensioners. This sum takes account of life expectancies appropriate to the ages of the pensioners and the interest that the sum is expected to earn before it is entirely paid out in benefits.

Unfunded Actuarial Accrued Liability:

The extent to which the actuarial accrued liability of the Plan exceeds the assets of the Plan. There is a wide range of approaches to paying off the unfunded actuarial accrued liability, from meeting the interest accrual only to amortizing it over a specific period of time.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Amortization of the Unfunded

Actuarial Accrued Liability: Payments made over a period of years equal in value to the Plan's unfunded actuarial accrued liability.

Investment Return:

The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT H

Supplemental Information - Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is shown below as of July 1, 2007 and as of January 1, 2006.

	Benefit Information Date	
	July 1, 2007	January 1, 2006
Actuarial present value of vested accumulated plan benefits:		
Participants currently receiving payments	\$505,739,093	\$495,723,526
Other vested benefits	<u>98,999,076</u>	<u>78,042,092</u>
Total vested benefits	\$604,738,169	\$573,765,618
Actuarial present value of non-vested accumulated plan benefits	<u>7,480,809</u>	<u>2,862,619</u>
Total actuarial present value of accumulated plan benefits	<u>\$612,218,978</u>	<u>\$576,628,237</u>

The amounts stated as vested benefits include employee contribution accounts which are considered 100% vested.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT H (continued)

Supplemental Information - Actuarial Present Value of Accumulated Plan Benefits

The factors that affected the change in the actuarial present value of accumulated plan benefits from the preceding to the current benefit information date are as follows:

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$16,675,978
Benefits paid	-79,266,669
Plan changes	19,610,829
Assumption changes	14,131,225
Interest	<u>64,439,388</u>
Total	<u>\$35,590,741</u>

Plan changes include the effect of ten-year vesting, the 2.5% benefit multiplier (capped at 80%) and unreduced retirement at 30 years of service regardless of age. In conjunction with the Plan change assumed retirement rates have been changed for participants with 30 years of service.

Other assumption changes include the change to the RP 2000 mortality table and the number of terminated employees assumed to receive refund of contributions.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT H (continued)

Supplemental Information – Balance Sheet as of July 1, 2007

Present Value of Benefits

1) Present Value of Retired Employees' Benefits*	\$505,79,093
2) Present value of Terminated Vested Benefits**	6,369,908
3) Present Value of Active Employees' Benefits	<u>155,587,598</u>
Total Present Value of Benefits	\$667,696,599

Assets (Current and Future)

1) Assets	\$133,058,241
2) Present Value of Future Employee Contributions as Normal Cost Payments	11,274,784
3) Present Value of Future City Contributions as Normal Cost Payments (Includes 1% Portion of Employee Contributions)	13,120,200
4) Present Value of Future City Contributions Necessary to Fund Unfunded Actuarial Accrued Liability Over 40 years from January 1, 1979	<u>510,243,374</u>
Total Assets	\$667,696,599

* Includes 2,150 retired members with an average monthly benefit of \$1,785 and 329 beneficiaries of deceased members with an average benefit of \$1,194 and 6 deferred beneficiaries.

** Includes 6 deferred beneficiaries.

SECTION 3: Supplemental Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

EXHIBIT H (continued)

Supplemental Information – Estimated Projection of Total Payroll and Unfunded Accrued Liabilities (\$ in thousands)

Year	Total Payroll*	Payment on Unfunded Accrued Liability		Estimated Unfunded Accrued Liability at End of Year**
		Dollar Amount Payable Monthly	As a % of UAL	
2006	--	--	--	\$510,243
2007	\$29,105	\$54,492	10.3%	494,433
2008	30,415	56,994	11.1%	474,810
2009	31,784	59,506	12.1%	450,954
2014	39,609	74,156	23.5%	250,584
2017	45,200	84,624	67.2%	42,987
2018	47,234	44,401	100.0%	--

* Total payroll is assumed to increase 4.5% per year.

** Unfunded accrued liability at end of previous year, plus 8% interest, less payment on unfunded accrued liability with interest to end of year. The payments on the unfunded accrued liability reduce the unfunded accrued liability until the year 2018 (when the unfunded accrued liability will be fully amortized).

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT I

Summary of Actuarial Valuation Results

The valuation was made with respect to the following data supplied to us:

1. Retired participants as of the valuation date (including 329 beneficiaries in pay status)		2,479
2. Participants inactive during year ended December 31, 2006 with vested rights (including 6 beneficiaries with rights to deferred pensions)		154
3. Participants active during the year ended December 31, 2006		1,026
Fully vested	641	
Partially vested	237	
Not vested	148	

The actuarial factors as of the valuation date are as follows:

1. Total normal cost		\$4,201,394
2. Actuarial accrued liability		643,301,615
Retired participants and beneficiaries	\$505,739,093	
Inactive participants with vested rights	6,369,908	
Active participants	131,192,614	
3. Actuarial value of assets (\$161,816,360 at market value)		133,058,241
4. Unfunded actuarial accrued liability		\$510,243,374

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT I (continued)

Summary of Actuarial Valuation Results

The determination of the recommended contribution is as follows:

1. Total normal cost	\$4,201,394
2. Expected employee contributions	<u>-1,853,074</u>
3. Employer normal cost: (1) + (2)	\$2,348,320
4. Payment on unfunded actuarial accrued liability	52,434,743
5. Total recommended contribution: (3) + (4), adjusted for timing	<u>\$56,932,229</u>
6. Projected City contribution for the next valuation year	\$59,494,179

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT II

Supplementary Information Required by the GASB – Schedule of Employer Contributions

Plan Year Ending*	Annual Required Contributions	Actual Contributions	Percentage Contributed
December 31			
2002	\$34,950,601	\$35,136,900	100.5%
2003	38,812,022	38,675,940	99.7%
2004	40,937,888	36,321,730	88.7%
2005	43,537,755	45,125,221	103.6%
2006	46,116,267	46,116,267	100.0%
June 30			
2007*	54,783,063	--	--
2008*			

* Plan Year changed from January 1 to July 1 as of July 1, 2007. Thus, amounts for 2007 and beyond as of June 30th.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT III

Supplementary Information Required by the GASB – Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll* [(b) - (a)] / (c)
01/01/2002	\$117,546,260	\$563,396,789	\$445,850,529	20.86%	\$40,666,479	1,096.36%
01/01/2003	109,367,500	579,890,481	470,522,981	18.86%	47,042,418	1,000.21%
01/01/2004	107,323,985	581,451,634	474,127,649	18.46%	45,898,463	1,032.99%
01/01/2005	102,301,954	580,470,790	478,168,836	17.62%	40,366,756	1,184.56%
01/01/2006	116,866,067	600,055,443	483,189,376	19.48%	26,185,568	1,845.25%
07/01/2007**	133,058,241	643,301,615	510,243,374	20.68%	29,105,414	1,753.09%

* *Not less than zero*

** *Includes new plan provisions*

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT IV

Supplementary Information Required by the GASB

Valuation date	July 1, 2007
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Remaining amortization period	Closed 11.5 years remaining as of July 1, 2007
Asset valuation method	Actuarial value from the prior year plus net new money plus 20% of the asset appreciation/(depreciation) for the current year and each of the prior four years.

Actuarial assumptions:

Investment rate of return	8.00%
Projected salary increases	4.50%
Cost of living adjustments	3.00%

Plan membership:

Retired participants and beneficiaries receiving benefits	2,479
Terminated vested participants	148
Deferred beneficiaries	6
Active participants	<u>1,026</u>
Total	3,659

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT V

Actuarial Assumptions and Actuarial Cost Method

Mortality Rates:

Healthy: RP-2000 Combined Healthy Mortality Table

Disabled: RP-2000 Disabled Retiree Mortality Table

Mortality and Disability Rates before Retirement:

Age	Rate (%)					Withdrawal**
	Healthy Mortality		Ordinary Disability*			
	Male	Female	Male	Female		
20	0.03	0.02	0.09	0.05	20.75	
25	0.04	0.02	0.11	0.07	18.68	
30	0.04	0.03	0.14	0.12	14.92	
35	0.08	0.05	0.20	0.20	10.50	
40	0.11	0.07	0.30	0.29	8.51	
45	0.15	0.11	0.46	0.44	7.60	
50	0.21	0.17	0.78	0.69	0.00	
55	0.36	0.27	1.36	1.15	0.00	
60	0.67	0.51	2.04	1.41	0.00	

* Occupational disability rates are 10% of the ordinary disability rates.

** Withdrawal rates cutout at age 50.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

Retirement Rates:

Age	Retirement Probability	
	<30 Years of Service	30 or more Years of Service
50-54	2%	10%
55	15	22.5
56-59	10	15
60	40	40
61-64	20	20
65-69	30	30
70	100	100

Percent Married: 75%

Age of Spouse: Females are assumed to be 3 years younger than their spouses.

Net Investment Return: 8.00%; the investment return rate is assumed to be net of investment and administrative expenses.

Salary Increases:

Age	Rate (%)
25	9.00
30	8.25
35	7.50
40	6.75
45	6.00
50	5.25

Above rates include 4.5% inflation.

Vacation Pay Adjustment: Retirement benefits are increased by 4.00% to reflect vacation pay.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

Cost-of-Living Adjustment: 3.00%, compounded annually.

Actuarial Value of Assets: Actuarial value from the prior year plus net new money plus 20% of the asset appreciation/(depreciation) for the current year and each of the prior four years plus an adjustment, if necessary, to be within 20% of market value.

Actuarial Cost Method: Entry Age Normal Actuarial Cost Method. Entry Age is the age at the date of hire.

Changes in Assumptions:

- In conjunction with plan changes, the retirement rates were changed for participants attaining eligibility for unreduced retirement with 30 years of credited service as shown on the prior page.
- The mortality table changed from the 1983 Group Annuity Mortality Table with ages set forward one year to the RP-2000 Combined Healthy Mortality Table.
- The mortality table for disabled lives changed to the RP-2000 Disabled Retiree Mortality Table.
- The assumption for active participants who terminate and receive a refund of their contributions has been changed from 100% to 50%. The other 50% is assumed to receive a deferred vested benefit.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund - Employees of the Atlanta Board of Education

EXHIBIT VI
Summary of Plan Provisions

This exhibit summarizes the major provisions of the Employees of the Atlanta Board of Education included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year: July 1 through June 30

Normal Pension:

<i>Eligibility</i>	A participant may retire at (a) age 65, or (b) age 60 after completing 15 years of service.
<i>Monthly Amount</i>	2.5% of average monthly salary for each year of credited service. This amount cannot be less than \$17 per month for each year of service, and is capped at 80% of average monthly salary. Average monthly salary is defined as the highest average monthly base compensation over any 36-month period.
<i>Normal Form of Payment</i>	75% joint and survivor annuity (no reduction in benefit for providing survivor coverage)

Early Pension:

<i>Service Requirement</i>	15 years credited service
<i>Monthly Amount</i>	Normal pension monthly amount reduced by 1/2 of 1% per month for the first 60 months and by 1/4 of 1% per month for the remaining months by which age at retirement is less than 60. More favorable early retirement adjustments may apply to participants in prior plans. Unreduced early retirement is available with 30 years of credited service.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Disability:

<i>Service Requirement</i>	5 years credited service for non-job-related disability. None for job related disability.
<i>Monthly Amount</i>	Normal pension based on service accrued and final average salary at disability, payable immediately; cannot be less than 50% of average monthly salary. This amount is payable until attainment of normal retirement age at which time the benefit is recalculated to value years while disabled as years of service.

Vesting Schedule:

An employee who terminates employment may receive a percentage of his accrued benefit payable at age 60 as determined below:

<u>Completed Years of Service</u>	<u>Percentage Vested*</u>
Less than 5	0%
5	25
6	30
7	35
8	40
9	45
10 or more	100

* A participant is always 100% vested in his/her contributions to the Plan.

Termination:

A participant terminating employment may elect a refund of his own contributions with interest. A refund will cause the forfeiture of any other vested accrued benefit from the Plan.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Death Benefits: If a participant dies prior to his attainment of eligibility for retirement, a lump sum of his own contributions with interest is payable to his beneficiary or estate.

If an active participant who is eligible to retire, or a retired participant, dies, 75% of the accrued pension benefit is payable to the beneficiary. Eligible beneficiaries are the spouse or unmarried children under 18. If the spouse is more than five years younger than the participant, the amount payable is reduced by 2% per year by which the spouse is younger.

Credited Service: Service is credited for employment as an employee of the Atlanta Board of Education or as a general employee of the City of Atlanta. Additional credit is granted for accumulated sick leave and for other prior service as specified in the plan.

Participation: All employees of the City of Atlanta, excluding temporary employees, firefighters, police officers, and employees of the Atlanta Board of Education covered by the Georgia Teachers' Retirement System.

Employee Contributions:

<u>Employee</u>	<u>% of Base Salary</u>
Unmarried employees without dependents	7%
Unmarried employees with dependent minor children	8%
Married employees	8%

Employee contributions earn 5% interest each year.

Note: The School Board currently pays 1% of the employee contribution rates shown above for the School Board employees.

Cost-of-Living Provision: Benefits are adjusted annually on January 1 of each year based on the change in the Consumer Price Index from November 1 through October 31 of the preceding year. Such annual adjustment cannot exceed 3%.

SECTION 4: Reporting Information for the City of Atlanta General Employees' Pension Fund Employees of the Atlanta Board of Education

Change in Plan Year: With this valuation, the Plan Year changed from January 1 through December 31 to July 1 through June 30.

Changes in Plan Provisions: The following plan changes were adopted by the board on December 12, 2005 (with final decisions on the amortization schedule adopted February 13, 2006), and are reflected in this valuation:

- The vesting schedule changed so that employees who terminate employment with 10 or more years of service are 100% vested in their accrued benefit.
- The benefit multiplier used to calculate monthly benefit changed from 2.0% of average monthly salary for each year of credited service to 2.5% of average monthly salary for each year of credited service.
- There is now an unreduced early retirement available to participants with 30 years of credited service regardless of age.

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