



ANNUAL FINANCIAL AUDIT • JUNE 30, 2022

Superior Court Clerks' Retirement Fund of Georgia A Component Unit of the State of Georgia

**Schedule of Employer and Nonemployer Allocations and
Schedule of Pension Amounts by Employer and Nonemployer**

Greg S. Griffin | State Auditor
Kristina A. Turner | Deputy State Auditor



DOAA
Georgia Department
of Audits & Accounts



INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners of the Superior Court Clerks'
Retirement Fund of Georgia
and
Mr. Homer Bryson, Secretary-Treasurer
Superior Court Clerks' Retirement Fund of Georgia

Opinions

We have audited the schedule of employer and nonemployer allocations of the Superior Court Clerks' Retirement Fund of Georgia (Fund), a component unit of the State of Georgia, as of and for the year ended June 30, 2022, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer and nonemployer of the Fund as of and for the year ended June 30, 2022, and the related notes.

In our opinion, the Schedules referred to above present fairly, in all material respects, the employer and nonemployer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources and total employer pension expense of the Fund as of and for the year ended June 30, 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedules* section of our report.

We are required to be independent of the Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Schedules

Management is responsible for the preparation and fair presentation of the schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the Schedules are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedules.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedules.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matter

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the Fund as of and for the year ended June 30, 2022. Our report thereon, dated June 16, 2023, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the Fund's management, the Board of Commissioners, the Fund employers, nonemployer contributing entities, and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

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

June 16, 2023

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Schedule of Employer and Nonemployer Allocations

For the year ended June 30, 2022

<u>Employer</u>	<u>Employer Allocation Percentage</u>
State of Georgia - Nonemployer Contributing Entity	
State's Proportionate Share Associated with:	
Appling	0.6579%
Atkinson	0.6579%
Bacon	0.6579%
Baker	0.6579%
Baldwin	0.6579%
Banks	0.6579%
Barrow	0.6579%
Bartow	0.6579%
Ben Hill	0.6579%
Berrien	0.6579%
Bibb	0.6579%
Bibb-State	0.6579%
Bleckley	0.6579%
Brantley	0.6579%
Bryan	0.6579%
Bulloch	0.6579%
Burke	0.6579%
Butts	0.6579%
Calhoun	0.6579%
Candler	0.6579%
Carroll	0.6579%
Catoosa	0.6579%
Chatham	0.6579%
Chatham-State	0.6579%
Chattahoochee	0.6579%
Chattooga	0.6579%
Cherokee	0.6579%
Clarke	0.6579%
Clay	0.6579%
Clayton	0.6579%
Clayton-State	0.6579%
Clinch	0.6579%
Cobb	0.6579%
Coffee	0.6579%

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Schedule of Employer and Nonemployer Allocations

For the year ended June 30, 2022

<u>Employer</u>	<u>Employer Allocation Percentage</u>
State of Georgia - Nonemployer Contributing Entity	
State's Proportionate Share Associated with:	
Colquitt	0.6579%
Columbia	0.6579%
Cook	0.6579%
Coweta	0.6579%
Coweta-State	0.6579%
Crawford	0.6579%
Crisp	0.6579%
Dade	0.6579%
Dawson	0.6579%
Decatur	0.6579%
Dekalb	0.6579%
Dekalb-State	0.6579%
Dodge	0.6579%
Dooly	0.6579%
Dougherty	0.6579%
Early	0.6579%
Echols	0.6579%
Effingham	0.6579%
Elbert	0.6579%
Emanuel	0.6579%
Evans	0.6579%
Fannin	0.6579%
Fayette	0.6579%
Floyd	0.6579%
Forsyth	0.6579%
Franklin	0.6579%
Fulton	0.6579%
Gilmer	0.6579%
Glascock	0.6579%
Glynn-State	0.6579%
Gordon	0.6579%
Grady	0.6579%
Greene	0.6579%

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Schedule of Employer and Nonemployer Allocations

For the year ended June 30, 2022

<u>Employer</u>	<u>Employer Allocation Percentage</u>
State of Georgia - Nonemployer Contributing Entity	
State's Proportionate Share Associated with:	
Gwinnett	0.6579%
Habersham	0.6579%
Hall	0.6579%
Hancock	0.6579%
Haralson	0.6579%
Harris	0.6579%
Hart	0.6579%
Heard	0.6579%
Henry	0.6579%
Henry-State	0.6579%
Houston	0.6579%
Irwin	0.6579%
Jasper	0.6579%
Jeff Davis	0.6579%
Jefferson	0.6579%
Jenkins	0.6579%
Johnson	0.6579%
Jones	0.6579%
Lamar	0.6579%
Lanier	0.6579%
Laurens	0.6579%
Lee	0.6579%
Liberty	0.6579%
Lincoln	0.6579%
Long	0.6579%
Lowndes	0.6579%
Lumpkin	0.6579%
Macon	0.6579%
Madison	0.6579%
Marion	0.6579%
Mcduffie	0.6579%
Mcintosh	0.6579%
Meriwether	0.6579%

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Schedule of Employer and Nonemployer Allocations

For the year ended June 30, 2022

<u>Employer</u>	<u>Employer Allocation Percentage</u>
State of Georgia - Nonemployer Contributing Entity	
State's Proportionate Share Associated with:	
Miller	0.6579%
Mitchell	0.6579%
Monroe	0.6579%
Montgomery	0.6579%
Morgan	0.6579%
Murray	0.6579%
Muscogee	0.6579%
Newton	0.6579%
Oconee	0.6579%
Oglethorpe	0.6579%
Pickens	0.6579%
Pierce	0.6579%
Polk	0.6579%
Pulaski	0.6579%
Putnam	0.6579%
Quitman	0.6579%
Rabun	0.6579%
Randolph	0.6579%
Richmond	0.6579%
Schley	0.6579%
Screven	0.6579%
Seminole	0.6579%
Spalding	0.6579%
Stephens	0.6579%
Stewart	0.6579%
Sumter	0.6579%
Talbot	0.6579%
Taliaferro	0.6579%
Tattnall	0.6579%
Taylor	0.6579%
Telfair	0.6579%
Terrell	0.6579%
Thomas	0.6579%

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Schedule of Employer and Nonemployer Allocations

For the year ended June 30, 2022

<u>Employer</u>	<u>Employer Allocation Percentage</u>
State of Georgia - Nonemployer Contributing Entity	
State's Proportionate Share Associated with:	
Tift	0.6579%
Toombs	0.6579%
Towns	0.6579%
Treutlen	0.6579%
Troup	0.6579%
Turner	0.6579%
Twiggs	0.6579%
Union	0.6579%
Upton	0.6579%
Walker	0.6579%
Ware	0.6579%
Warren	0.6579%
Washington	0.6579%
Wheeler	0.6579%
White	0.6579%
Wilcox	0.6579%
Wilkes	0.6579%
Wilkinson	0.6579%
Total	<u>100.0000%</u>
Each Employer of Plan Members - Employer Share	<u>0.0000%</u>
Total for All Entities	<u><u>100.0000%</u></u>

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Schedule of Pension Amounts by Employer and Nonemployer

For the year ended June 30, 2022

	Deferred Outflows of Resources					Deferred Inflows of Resources			Total Employer Pension Expense
	Net Pension Asset	Changes in Assumptions	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Changes in Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources	
State of Georgia - Nonemployer Contributing Entity									
State's Proportionate Share Associated with:									
Appling	(45,555)								25,143
Atkinson	(45,555)								25,143
Bacon	(45,555)								25,143
Baker	(45,555)								25,143
Baldwin	(45,555)								25,143
Banks	(45,555)								25,143
Barrow	(45,555)								25,143
Bartow	(45,555)								25,143
Ben Hill	(45,555)								25,143
Berrien	(45,555)								25,143
Bibb	(45,555)								25,143
Bibb-State	(45,555)								25,143
Bleckley	(45,555)								25,143
Brantley	(45,555)								25,143
Bryan	(45,555)								25,143
Bulloch	(45,555)								25,143
Burke	(45,555)								25,143
Butts	(45,555)								25,143
Calhoun	(45,555)								25,143
Candler	(45,555)								25,143
Carroll	(45,555)								25,143
Catoosa	(45,555)								25,143
Chatham	(45,555)								25,143
Chatham-State	(45,555)								25,143
Chattahoochee	(45,555)								25,143
Chattooga	(45,555)								25,143
Cherokee	(45,555)								25,143
Clarke	(45,555)								25,143
Clay	(45,555)								25,143
Clayton	(45,555)								25,143
Clayton-State	(45,555)								25,143
Clinch	(45,555)								25,143
Cobb	(45,555)								25,143
Coffee	(45,555)								25,143

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Schedule of Pension Amounts by Employer and Nonemployer

For the year ended June 30, 2022

	Deferred Outflows of Resources					Deferred Inflows of Resources			Total Employer Pension Expense
	Net Pension Asset	Changes in Assumptions	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Changes in Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources	
<u>Employer</u>									
Colquitt	(45,555)								25,143
Columbia	(45,555)								25,143
Cook	(45,555)								25,143
Coweta	(45,555)								25,143
Coweta-State	(45,555)								25,143
Crawford	(45,555)								25,143
Crisp	(45,555)								25,143
Dade	(45,555)								25,143
Dawson	(45,555)								25,143
Decatur	(45,555)								25,143
Dekalb	(45,555)								25,143
Dekalb-State	(45,555)								25,143
Dodge	(45,555)								25,143
Dooly	(45,555)								25,143
Dougherty	(45,555)								25,143
Early	(45,555)								25,143
Echols	(45,555)								25,143
Effingham	(45,555)								25,143
Elbert	(45,555)								25,143
Emanuel	(45,555)								25,143
Evans	(45,555)								25,143
Fannin	(45,555)								25,143
Fayette	(45,555)								25,143
Floyd	(45,555)								25,143
Forsyth	(45,555)								25,143
Franklin	(45,555)								25,143
Fulton	(45,555)								25,143
Gilmer	(45,555)								25,143
Glascok	(45,555)								25,143
Glynn-State	(45,555)								25,143
Gordon	(45,555)								25,143
Grady	(45,555)								25,143
Greene	(45,555)								25,143
Gwinnett	(45,555)								25,143

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Schedule of Pension Amounts by Employer and Nonemployer

For the year ended June 30, 2022

	Deferred Outflows of Resources					Deferred Inflows of Resources			Total Employer Pension Expense
	Net Pension Asset	Changes in Assumptions	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Changes in Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources	
Habersham	(45,555)								25,143
Hall	(45,555)								25,143
Hancock	(45,555)								25,143
Haralson	(45,555)								25,143
Harris	(45,555)								25,143
Hart	(45,555)								25,143
Heard	(45,555)								25,143
Henry	(45,555)								25,143
Henry-State	(45,555)								25,143
Houston	(45,555)								25,143
Irwin	(45,555)								25,143
Jasper	(45,555)								25,143
Jeff Davis	(45,555)								25,143
Jefferson	(45,555)								25,143
Jenkins	(45,555)								25,143
Johnson	(45,555)								25,143
Jones	(45,555)								25,143
Lamar	(45,555)								25,143
Lanier	(45,555)								25,143
Laurens	(45,555)								25,143
Lee	(45,555)								25,143
Liberty	(45,555)								25,143
Lincoln	(45,555)								25,143
Long	(45,555)								25,143
Lowndes	(45,555)								25,143
Lumpkin	(45,555)								25,143
Macon	(45,555)								25,143
Madison	(45,555)								25,143
Marion	(45,555)								25,143
Mcduffie	(45,555)								25,143
Mcintosh	(45,555)								25,143
Meriwether	(45,555)								25,143
Miller	(45,555)								25,143
Mitchell	(45,555)								25,143

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Schedule of Pension Amounts by Employer and Nonemployer

For the year ended June 30, 2022

	Deferred Outflows of Resources					Deferred Inflows of Resources			Total Employer Pension Expense
	Net Pension Asset	Changes in Assumptions	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Changes in Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources	
<u>Employer</u>									
Monroe	(45,555)								25,143
Montgomery	(45,555)								25,143
Morgan	(45,555)								25,143
Murray	(45,555)								25,143
Muscogee	(45,555)								25,143
Newton	(45,555)								25,143
Oconee	(45,555)								25,143
Oglethorpe	(45,555)								25,143
Pickens	(45,555)								25,143
Pierce	(45,555)								25,143
Polk	(45,555)								25,143
Pulaski	(45,555)								25,143
Putnam	(45,555)								25,143
Quitman	(45,555)								25,143
Rabun	(45,555)								25,143
Randolph	(45,555)								25,143
Richmond	(45,555)								25,143
Schley	(45,555)								25,143
Screven	(45,555)								25,143
Seminole	(45,555)								25,143
Spalding	(45,555)								25,143
Stephens	(45,555)								25,143
Stewart	(45,555)								25,143
Sumter	(45,555)								25,143
Talbot	(45,555)								25,143
Taliaferro	(45,555)								25,143
Tattnall	(45,555)								25,143
Taylor	(45,555)								25,143
Telfair	(45,555)								25,143
Terrell	(45,555)								25,143
Thomas	(45,555)								25,143
Tift	(45,555)								25,143
Toombs	(45,555)								25,143
Towns	(45,555)								25,143

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Schedule of Pension Amounts by Employer and Nonemployer

For the year ended June 30, 2022

	Deferred Outflows of Resources					Deferred Inflows of Resources			Total Employer Pension Expense
	Net Pension Asset	Changes in Assumptions	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Changes in Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources	
<u>Employer</u>									
Treutlen	(45,555)								25,143
Troup	(45,555)								25,143
Turner	(45,555)								25,143
Twiggs	(45,555)								25,143
Union	(45,555)								25,143
Upson	(45,555)								25,143
Walker	(45,555)								25,143
Ware	(45,555)								25,143
Warren	(45,555)								25,143
Washington	(45,555)								25,143
Wayne	(45,555)								25,143
Wheeler	(45,555)								25,143
White	(45,555)								25,143
Wilcox	(45,555)								25,143
Wilkes	(45,555)								25,143
Wilkinson	(45,555)								25,143
Total State of Georgia (Nonemployer Contributing Entity)	\$ (6,924,360)	217,434	83,344	10,055,602	10,356,380	331,506	63,343	394,849	3,821,736
Each Employer of Plan Members - Employer Share	-	-	-	-	-	-	-	-	-
Total for All Entities	\$ (6,924,360)	217,434	83,344	10,055,602	10,356,380	331,506	63,343	394,849	3,821,736

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Notes to Schedule of Employer and Nonemployer Allocations and
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2022

Note 1: Plan Description

The Superior Court Clerks' Retirement Fund of Georgia (the Fund) was created in 1952 by the Georgia General Assembly to provide retirement benefits for clerks of the Superior Courts of Georgia and any clerk of State Court where that clerk is someone other than the clerk of Superior Court. The Fund administers a cost-sharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*.

The Fund is governed by its Board of Commissioners. The Board is comprised of the Governor of the State of Georgia or his designee; an appointee of the Governor other than the Attorney General; and five superior court clerks, of which at least one but not more than two are retired clerks receiving retirement benefits. The Board of Commissioners is ultimately responsible for the administration of the Fund.

Note 2: Basis of Presentation

The Schedule of Employer and Nonemployer Allocations and Schedule of Pension Amounts by Employer and Nonemployer (the schedules) are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Note 3: Components of Collective Net Pension Liability

The components of the collective net pension liability of the participating employers and nonemployers at June 30, 2022 were as follows:

Total pension liability	\$ 112,983,420
Plan fiduciary net position	<u>(119,907,882)</u>
Net pension liability (asset)	<u>\$ (6,924,462)</u>
Plan fiduciary net position as a percentage of total pension liability	106.13%

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Notes to Schedule of Employer and Nonemployer Allocations and Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2022

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The roll forward calculation adds the normal cost (also called service costs), subtracts the actual benefit payments and refunds for the plan year, and then applies the discount rate for the year. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	N/A
Investment rate of return	5.25%, net of pension plan investment expense including inflation

The mortality table for healthy lives was updated to PubG-2010 (Amount Weighted General Employees) Mortality Table with generational mortality projection using Scale MP-2021, except for current and future beneficiaries of deceased participants. For current and future beneficiaries of deceased participants, the mortality table was updated to PubG-2010 (Amount Weighted Contingent Survivor) Mortality Table with generational mortality projection using Scale MP-2021. The mortality table for disabled lives was updated to PubG-2010 (Amount Weighted General Employees) Disabled Mortality Table with generational mortality projection using Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected geometric real rates of return by the target asset allocation percentage and then adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long term expected real rate of return*
Domestic fixed income	50 %	1.1 %
Global equity	10	6.0
International developed markets equity	10	6.4
Domestic large cap equities	25	5.7
Domestic small/mid cap equities	5	6.6
	<u>100 %</u>	

* Rates shown are net of inflation

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Notes to Schedule of Employer and Nonemployer Allocations and
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2022

Discount Rate

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows used to determine the discount rate assumes revenues will remain level. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the net pension liability of the Fund, calculated using the discount rate of 5.25%, as well as what the Fund's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the current rate:

	1% Decrease (4.25%)	Current discount rate (5.25%)	1% Increase (6.25%)
Collective net pension liability (asset)	\$ <u>4,076,852</u>	<u>(6,924,462)</u>	<u>(16,335,168)</u>

Note 4: Special Funding Situation

The State of Georgia, although not the employer of the Retirement Fund's members, makes contributions to the Retirement Fund through the collection of court fines and forfeitures as specified by O.C.G.A. §47-14-50 and §47-14-51. The State makes all these contributions to the Retirement Fund on behalf of the employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

Since the employers of the Retirement Fund's members do not contribute directly to the Retirement Fund, there is no net pension liability to recognize for each employer. However, the notes to each employer's financial statements must disclose the portion of the nonemployer contributing entity's share of the collective net pension liability that is associated with that employer. In addition, each employer must recognize its portion of the collective pension expense of the State as well as recognize revenue contributions from the State in an equal amount.

Note 5: Allocation Methodology

GASB Statement No. 68 requires participating employers and nonemployer contributing entities to recognize their proportionate share of collective net pension liability and pension expense. These schedules are prepared to provide employers and nonemployer contributing entities with their calculated proportionate share.

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA
(A Component Unit of the State of Georgia)

Notes to Schedule of Employer and Nonemployer Allocations and
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2022

As discussed in Note 4, the counties, as employers of the Retirement Fund's members, do not make contributions to the Retirement Fund; therefore, the proportionate share allocation for each employer is 0%. The proportionate share attributable to the State of Georgia, as the nonemployer contributing entity, is therefore 100%.

The amounts attributable to the State of Georgia, as the nonemployer contributing entity, have been allocated to each employer based on the number of Fund members employed as of June 30, 2021.

Note 6: Collective Deferred Outflows of Resources and Deferred Inflows of Resources

The following table presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2022:

	Year of deferral	Amortization period	Beginning of year balance	Current Year		End of year balance
				Additions	Deductions	
Deferred outflows of resources						
Changes in assumptions	2019	3.4 years	\$ 407,408	-	407,408	-
	2022	3.6 years	-	301,063	83,629	217,434
Differences between expected and actual experience	2022	3.6 years		115,400	32,056	83,344
Differences between projected and actual investment earnings	2018	5 years	(407,399)	-	(407,399)	-
	2019	5 years	(675,009)	-	(337,505)	(337,504)
	2020	5 years	446,204	-	148,734	297,470
	2021	5 years	(13,854,622)		(3,463,656)	(10,390,966)
	2022	5 years		25,608,252	5,121,650	20,486,602
Net difference between projected and actual investment earnings (1)			<u>(14,490,826)</u>	<u>25,608,252</u>	<u>1,061,824</u>	<u>10,055,602</u>
Total deferred outflows of resources			<u>\$ (14,083,418)</u>	<u>26,024,715</u>	<u>1,584,917</u>	<u>10,356,380</u>
Deferred inflows of resources						
Changes in assumptions	2020	3.1 years	\$ 934,410	-	849,464	84,946
	2021	3.3 years	436,222	-	189,662	246,560
Differences between expected and actual experience	2019	3.4 years	299,565	-	299,565	-
	2020	3.1 years	148,992	-	135,446	13,546
	2021	3.3 years	88,102	-	38,305	49,797
Total deferred inflows of resources			<u>\$ 1,907,291</u>	<u>-</u>	<u>1,512,442</u>	<u>394,849</u>

SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA

(A Component Unit of the State of Georgia)

Notes to Schedule of Employer and Nonemployer Allocations and Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2022

(1) In accordance with paragraph 71b of GASB Statement No. 68, collective deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods have been aggregated and included as a net collective deferred outflows of resources related to pensions.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30, 2023	\$	1,258,450
2024		1,854,025
2025		1,727,404
2026		<u>5,121,652</u>
Total	\$	<u><u>9,961,531</u></u>

Changes in Proportion

The amounts shown in the two preceding tables do not include employer- or nonemployer-specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. Based on the allocation methodology discussed in Note 5, there were no changes in proportion for the year ended June 30, 2022.

Note 7: Collective Pension Expense

The components of collective pension expense for the year ended June 30, 2022, are shown in the following table:

Service cost	\$	1,956,482
Interest on the total pension liability and net cash flow		5,619,180
Projected earnings on plan investments		(7,360,085)
Current period effect of benefit changes		3,494,105
Member contributions		(141,425)
Administrative expenses		181,027
Recognition (amortization) of deferred inflows and outflows of resources		
Change in assumptions		(548,089)
Difference between expected and actual experience		(441,260)
Difference between projected and actual investment earnings		<u>1,061,824</u>
Collective pension expense	\$	<u><u>3,821,759</u></u>