CITY OF ATLANTA, GEORGIA
GENERAL EMPLOYEES’ PENSION PLAN

Financial Statements and Required Supplemental Schedules

June 30, 2025 and 2024

(With Independent Auditors’ Report Thereon)

CITY OF ATLANTA, GEORGIA

GENERAL EMPLOYEES' PENSION PLAN

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MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

The City of Atlanta Defined Benefit Pension Investment Board
General Employees' Pension Plan
City of Atlanta, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the City of Atlanta, Georgia General Employees' Pension Plan (the "Plan") (a fiduciary component unit of the City of Atlanta, Georgia) as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2025 and 2024, and the respective change in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Management is also responsible for maintaining a current Plan instrument, including all Plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards and *Government Auditing Standards* 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 financial statements.
- 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 Plan'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the General Employees' Pension Plan and do not purport to, and do not present fairly, the financial position of the City of Atlanta, as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 and the schedule of pension investment returns information on page 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 17, 2025

As management, we offer readers of the General Employees' Pension Plan (the Plan) financial statements, this narrative overview and analysis of the financial activities of the Plan for the years ended June 30, 2025 and 2024. This overview compares the year ended June 30, 2025 with the year ended June 30, 2024 and the year ended June 30, 2024 with the year ended June 30, 2023. Readers are encouraged to read the Notes to the Financial Statements in conjunction with the financial statements presented, following this narrative.

In December 2017, the City of Atlanta (the City) adopted legislation to combine the management of its three separate pension plans and create one board of trustees to be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the Board) in order to improve administrative efficiency, governance and investment returns. The City consolidated and set minimum requirements for the Investment Board of Trustees of the three Pension Plans in order to optimize investment returns, establish national leadership in pension management best practices, and increase the City's revenues available for compensation of active employees.

The Plan is administered as an agent multiple-employer, defined-benefit plan by the Board, which includes the Chair who is an appointee of the Mayor, the Mayor or a designee serving as Vice Chair of the Investment Board, three City Council members appointed by the Mayor, one member appointed by the Atlanta Independent School System (School System), one member appointed by the President of the Atlanta City Council who is a participant in any of the three Plans, the City's Chief Financial Officer, the Human Resources Commissioner, and four members elected by active and retired participants as follows: one from the City of Atlanta, Georgia General Employees Pension Fund, one from the Atlanta Independent School Systems General Employees Pension Fund, one from the City of Atlanta, Georgia Firefighters' Pension Fund and one from the City of Atlanta, Georgia Police Officers' Pension Fund. Each pension law modification must be adopted by at least two-thirds vote of the City Council and be approved by the Mayor.

Financial Highlights

- At June 30, 2025 and 2024, the assets of the Plan exceeded its liabilities by $1.99 billion and $1.84 billion, respectively.
- The total net position increased in 2025 by $156.6 million or 8.5% compared with the net position at June 30, 2024. The total net position increased in 2024 by $106.3 million or 6.1% compared with the net position at 2023.
- Net investment income increased in 2025 by $38.3 million or 23.3%. Net investment income increased in 2024 by $10.9 million or 7.1% compared to fiscal year 2023.
- Contributions received from employers and employees were higher in 2025 than 2024 at $152.1 million and $135.3 million. Contributions received from employers and employees were higher in 2024 than 2023 at $135.3 million and $131.9 million.
- Benefit payments in 2025 totaled $196.8 million, an increase of $4.7 million or 2.4% when compared with fiscal year 2024. Benefit payments in 2024 totaled $192.1 million, an increase of $3.1 million or 1.6% when compared with fiscal year 2023.

The Plan is considered a fiduciary component unit of the City of Atlanta, Georgia (City). The City's Annual Comprehensive Financial Report (ACFR) for the years ended June 30, 2025 and 2024 should be read in conjunction with these financial statements.

Fiduciary component units are included in fiduciary funds which are used to account for resources held for the benefit of parties outside the city government, but over which the city government maintains a meaningful degree of ongoing responsibility. The financial statements of fiduciary funds are presented using the economic resources measurement focus, or full accrual basis of accounting, similar to private sector businesses.

Directly following this management discussion and analysis are the basic financial statements. The *basic financial statements* and required notes to the financial statements are prepared in accordance with accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board (GASB).

Basic financial statements comprise the following:

The *Statement of Fiduciary Net Position* presents information on the assets and liabilities of the Plan, with the difference between the two reported as *net position*. The investments of the Plan in this statement are presented at fair value.

The *Statement of Changes in Fiduciary Net Position* presents information showing how the Plan's net position changed during the fiscal year. The additions include contributions and investment income, which includes the net increase (decrease) in the fair value of investments. The deductions include benefit payments and administrative expenses.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the Plan's financial statements. The notes can be found following the financial statements in this report.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain *required supplementary information* concerning the Plan's money-weighted rate of return. Required supplementary information and related notes can be found following the notes in this report.

Financial Analysis

Net position may serve over time as a useful indicator of financial stability. In the case of the Plan, assets exceeded liabilities by approximately $1.99 billion and $1.84 billion at the close of the years ended June 30, 2025 and 2024. Table 1 summarizes the major categories of assets, liabilities, and net position for the years ended June 30, 2025 and 2024. Table 2 summarizes the changes in the Plan's net position for the years ended June 30, 2025 and 2024.

Table 1. General Employees' Pension Plan Net Position as of June 30, 2025 and 2024 (dollars in thousands):

	June 30		Amount	Percentage
	2025	**2024**	**change**	**change**
Assets:				
Cash and deposits	$ 11,920	$ 11,666	$ 254	2.2 %
Securities lending collateral	88,408	—	88,408	100.0
Due from brokers for investments sold	719	583	136	23.3
Receivables	7,555	13,987	(6,432)	(46.0)
Investments	1,983,878	1,813,723	170,155	9.4
Total assets	2,092,480	1,839,959	252,521	13.7
Liabilities:				
Due to brokers for investments purchased	9,074	1,750	7,324	418.5
Liability for securities lending agreement	88,408	—	88,408	100.0
Accounts payable	2,707	2,508	199	7.9
Total liabilities	100,189	4,258	95,931	2,253.0
Net position restricted for pensions	$ 1,992,291	$ 1,835,701	$ 156,590	8.5 %

The net position of the Plan increased by $156.6 million or 8.5% when compared to an increase of $106.3 million in fiscal year 2024. The increase in net position can be primarily attributed to an increase in investments of $170.2 million. Cash and deposits increased to $11.9 million in fiscal year 2025 from $11.7 million in fiscal year 2024. Investments increased to $2.0 billion in fiscal year 2025 from $1.8 billion in fiscal year 2024. Total assets for the Plan increased by $252.5 million or 13.7% compared to 2024. Total cash and investments increased by $170.4 million. Cash and investments represent 95.4% of total assets as of June 30, 2025.

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Table 2. General Employees' Pension Plan Changes in Net Position, Years ended June 30, 2025 and 2024 (dollars in thousands):

	June 30		Amount	Percentage
	2025	**2024**	**change**	**change**
Additions to plan net position:				
Investment income:				
Net appreciation				
in fair value of investments	$ 177,696	$ 143,143	$ 34,553	24.1 %
Interest, dividends and other, net	30,074	26,156	3,918	15.0
Less investment expenses	(4,855)	(4,711)	(144)	3.1
Net investment income	202,915	164,588	38,327	23.3
Employer contributions:				
City of Atlanta	55,207	48,772	6,435	13.2
Atlanta Board of Education	65,800	63,800	2,000	3.1
Employee contributions	31,104	22,770	8,334	36.6
Other income	47	40	7	17.5
Total additions, net	355,073	299,970	55,103	18.4
Deductions from plan net position:				
Benefit payments	196,806	192,114	4,692	2.4
Administrative expense	1,677	1,553	124	8.0
Total deductions	198,483	193,667	4,816	2.5
Increase in net position				
restricted for pensions	$ 156,590	$ 106,303	$ 50,287	47.3 %
Net position restricted for pensions:				
Beginning of year	$1,835,701	$1,729,398		
Increase in net position	156,590	106,303		
End of year	$1,992,291	$1,835,701		

Total additions to the fiduciary net position increased by $55.1 million or 18.4% compared to 2024. This increase is primarily attributed to the increase in net investment income in the investment portfolio during fiscal year 2025. Net investment income was $202.9 million for 2025, an increase of $38.3 million, or 23.3% compared to fiscal year 2024. The investment portfolio primarily comprises 68.0% equities, 27.2% fixed income, 3.3% alternative investments including real estate, and 1.5% short term investments of cash and cash equivalents as of June 30, 2025, compared to 72.5% equities, 21.6% fixed income, 3.5% alternative investments including real estate, and 2.4% short term investments of cash and cash equivalents as of June 30, 2024. The overall portfolio returned net 11.40% for the fiscal year ended 2025, compared with 10.00% for fiscal year 2024. The S&P 500 index was 14.70% and 24.56%, respectively, during the same time periods.

Employee contributions to the Plan increased by $8.3 million to $31.1 million compared to $22.8 million in fiscal year 2024. Employer contributions were $121.0 million, an increase of $8.4 million or 7.5% primarily due to a higher actuarially determined contribution (ADC) than fiscal year 2024. Benefit payments increased by $4.7 million or 2.4% to $196.8 million.

Financial Analysis of June 30, 2024 to June 30, 2023

Net position may serve over time as a useful indicator of financial stability. In the case of the Plan, assets exceeded liabilities by $1.84 billion and $1.73 billion in fiscal years 2024 and 2023 respectively. Table 1-1 summarizes the major categories of assets, liabilities, and net position. Table 2-1 summarizes the changes in the Plan's net position for the years ended June 30, 2024 and 2023.

Table 1-1. General Employees' Pension Plan Net Position, as of June 30, 2024 and 2023 (dollars in thousands):

	June 30		Amount	Percentage
	2024	2023	change	change
Assets:				
Cash and deposits	$ 11,666	$ 18,670	$ (7,004)	(37.5)%
Due from brokers for investments sold	583	4,753	(4,170)	(87.7)
Receivables	13,987	8,434	5,553	65.8
Investments	1,813,723	1,706,568	107,155	6.3
Total assets	1,839,959	1,738,425	101,534	5.8
Liabilities:				
Due to brokers for investments purchased	1,750	6,848	(5,098)	(74.4)
Accounts payable	2,508	2,179	329	15.1
Total liabilities	4,258	9,027	(4,769)	(52.8)
Net position restricted for pensions	$ 1,835,701	$ 1,729,398	$ 106,303	6.1 %

The net position of the Plan increased by $106.3 million or 6.1% in fiscal year 2024, compared to an increase of $95.2 million in fiscal year 2023. The increase in net position can be primarily attributed to an increase in investments of $107.2 million. Total assets for the Plan in fiscal year 2024 increased by $101.5 million or 5.8% compared to 2023. Total cash and investments increased by $100.2 million. Receivables increased by $5.6 million and due from brokers for securities sold decreased by $4.1 million. Cash and investments represent 99.2% of total assets as of June 30, 2024.

Table 2-1. General Employees' Pension Plan Changes in Net Position, Years ended June 30, 2024 and 2023 (dollars in thousands):

	June 30		Amount	Percentage
	2024	2023	change	change
Additions to plan net position:				
Investment income:				
Net appreciation				
in fair value of investments	$ 143,143	$ 135,020	$ 8,123	6.0 %
Interest, dividends and other, net	26,156	22,928	3,228	14.1
Less investment expenses	(4,711)	(4,210)	(501)	11.9
Net investment income	164,588	153,738	10,850	7.1
Employer contributions:				
City of Atlanta	48,772	48,330	442	0.9
Atlanta Board of Education	63,800	62,000	1,800	2.9
Employee contributions	22,770	21,559	1,211	5.6
Other income	40	92	(52)	(56.5)
Total additions, net	299,970	285,719	14,251	5.0
Deductions from plan net position:				
Benefit payments	192,114	189,008	3,106	1.6
Administrative expense	1,553	1,545	8	0.5
Total deductions	193,667	190,553	3,114	1.6
Increase in net position				
restricted for pensions	$ 106,303	$ 95,166	$ 11,137	11.7 %
Net position restricted for pensions:				
Beginning of year	$ 1,729,398	$ 1,634,232		
Increase in net position	106,303	95,166		
End of year	$ 1,835,701	$ 1,729,398		

Financial Analysis as of June 30, 2024 to June 30, 2023

Total additions to the plan net position increased by $14.3 million or 5.0% compared to 2023. This increase is primarily attributed to the increase in net investment income in the investment portfolio during fiscal year 2024. Net investment income was $164.6 million for 2024, an increase of $10.9 million, or 7.1% compared to fiscal year 2023. The investment portfolio primarily comprises 72.5% equities, 21.6% fixed income, 3.5% alternative investments including real estate, and 2.4% short term investments of cash and cash equivalents as of June 30, 2024, compared to 71.7% equities, 22.6% fixed income, 4.1% alternative investments including real estate, and 1.6% short term investments of cash and cash equivalents as of June 30, 2023. The overall portfolio returned net 10.00% for the fiscal year ended 2024, compared with 9.67% for fiscal year 2023. The S&P 500 index was 24.56% and 19.59%, respectively, during the same time periods.

Employee contributions to the Plan increased by $1.2 million to $22.8 million compared to $21.6 million in fiscal year 2023. Employer contributions were $112.6 million, an increase of $2.2 million or 2.0% primarily due to a higher actuarially determined contribution (ADC) than fiscal year 2023. Benefit payments increased by $3.1 million or 1.6% to $192.1 million.

Requests for Information

This financial report is designed to provide a general overview of the Plan's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Chief Financial Officer, 14106 City Hall Tower, 68 Mitchell St. SW, Atlanta, Georgia 30303.

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CITY OF ATLANTA, GEORGIA
GENERAL EMPLOYEES' PENSION PLAN
Statements of Fiduciary Net Position

June 30, 2025 and 2024

(Dollars in thousands)

	2025	2024
Assets		
Cash and deposits	$ 11,920	11,666
Securities lending collateral	88,408	—
Total cash	100,328	11,666
Receivables:		
Contributions receivable from employer	2,306	10,000
Contributions receivable from employees	—	846
Due from brokers for investments sold	719	583
Accrued Investment income	4,215	2,992
Other	1,034	149
Total receivables	8,274	14,570
Investments:		
Short term investments	29,548	43,989
Domestic fixed income securities	533,386	387,001
Domestic equities	1,210,416	1,179,520
International fixed income securities	6,731	4,362
International equities	138,234	135,525
Alternative investments:		
Real estate	50,393	51,051
Limited partnerships	15,170	12,275
Total investments	1,983,878	1,813,723
Total assets	2,092,480	1,839,959
Liabilities		
Due to brokers for investments purchased	9,074	1,750
Liability for securities lending agreement	88,408	—
Accounts payable	2,707	2,508
Total liabilities	100,189	4,258
Net position restricted for pensions	$ 1,992,291	1,835,701

See accompanying notes to financial statements.

CITY OF ATLANTA, GEORGIA

GENERAL EMPLOYEES' PENSION PLAN

Statements of Changes in Fiduciary Net Position

For the years ended June 30, 2025 and 2024

(Dollars in thousands)

	2025	2024
Additions:		
Contributions:		
Employer	$ 121,007	$ 112,572
Employee	31,104	22,770
Total contributions	152,111	135,342
Investment income:		
Net appreciation in fair value of investments	177,696	143,143
Interest and dividends	29,582	26,156
Investment expenses	(4,855)	(4,711)
Securities lending income, net	492	—
Net investment income	202,915	164,588
Other	47	40
Total additions, net	355,073	299,970
Deductions:		
Benefit payments, including refunds of member contributions	196,806	192,114
Administrative expense	1,677	1,553
Total deductions	198,483	193,667
Increase in net position	156,590	106,303
Net position restricted for pensions:		
Beginning of year	1,835,701	1,729,398
End of year	$ 1,992,291	$ 1,835,701

See accompanying notes to financial statements.

(1) Plan Description

City of Atlanta, Georgia General Employees' Pension Plan (the Plan) was established by a 1924 Act of the State of Georgia Legislature to provide retirement benefits for full-time permanent employees of the City of Atlanta (the City), excluding sworn personnel of the Police and Fire Departments, and the employees of the Atlanta Board of Education (the School System) who are not covered under the Teachers Retirement System of Georgia. Until 1983, the Georgia Legislature established all requirements and policies of the Plan. By a constitutional amendment, effective July 1983, control over all aspects of the Plan transferred to the City under the principle of Home Rule. The types of benefits offered by the Plan are retirement, disability, and pre-retirement death benefits. The Plan is an agent multiple-employer defined-benefit pension plan with two employers participating in the Plan at June 30, 2025 and 2024. Participants should refer to the Atlanta, Georgia, Code of Ordinances, Part 1, Section 6 (Plan agreement) for more complete information. Under the principle of Home Rule and the Atlanta Code of Ordinances, Section 6, the Board has the authority to establish and amend benefit terms and contributions.

Effective September 1, 2005, classified employees and certain nonclassified employees, pay grade 18 and below enrolled in the defined-contribution plan had the one-time option of transferring to the Plan. Classified employees and certain nonclassified employees pay grade 18 and below not covered by either the City of Atlanta, Georgia Police Officers' or City of Atlanta, Georgia Firefighters' Pension Plans, hired after September 1, 2005 are required to become members of the Plan.

The Plan is included as a fiduciary component unit in the City of Atlanta, Georgia Annual Comprehensive Financial Report (ACFR) as part of the Pension Trust Funds. The City's ACFR for the years ended June 30, 2025 and 2024 should be read in conjunction with these financial statements.

(a) Administration of the Plan

In December 2017, the City adopted legislation to combine the management of its three separate pension plans and create one board of trustees to be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the Board) in order to improve administrative efficiency, governance and investment returns. The City consolidated and set minimum requirements for the Investment Board of Trustees of the three Pension Plans in order to optimize investment returns, establish national leadership in pension management best practices, and increase the City revenues available for compensation of active employees.

The Plan is administered as an agent multiple-employer, defined-benefit plan by the Board, which includes the Chair who is an appointee of the Mayor, the Mayor or a designee serving as Vice Chair of the Investment Board, three City Council members appointed by the Mayor, one member appointed by the Atlanta Independent School System's Board, one member appointed by the President of the Atlanta City Council who is a participant in any of the three Plans, the City's Chief Financial Officer, the Human Resources Commissioner, and four members elected by active and retired participants as follows: one from the City of Atlanta, Georgia General Employees Pension Fund, one from the School System General

Employees Pension Fund, one from the City of Atlanta, Georgia Firefighters' Pension Fund and one from the City of Atlanta, Georgia Police Officers' Pension Fund. Each pension law modification must be adopted by at least two-thirds vote of the City Council and be approved by the Mayor.

(b) Contribution requirements – The City

Under the Georgia Legislature principle of Home Rule and the Atlanta Code of Ordinances, Section 6, the Board has the authority to administer the Plan including establishing and amending contribution requirements. The funding methods and determination of benefits payable were established by the Atlanta, Georgia, Code of Ordinances, Part 1, Section 6 legislative acts creating the Plan, as amended, and in general, provide that funds are to be accumulated from employee contributions for defined benefits, City contributions, and income from the investment of accumulated funds.

Beginning on November 1, 2011, employees participating in the Plan and hired before September 1, 2011, or after January 1, 1984, had an increase of 5% in their mandatory contributions into the Plan fund in which they participate. The contribution is such that the new contribution is 12% of salary (without a designated beneficiary) or 13% of salary (with a designated beneficiary). Where an Actuarial Valuation anticipates that the City's actuarially determined contribution for the next fiscal year will exceed 35% of the total payroll, contributions may be increased, by no more than 5% of compensation, in order to fund the overage.

Employees hired on or after September 1, 2011 who are below pay grade 19 or its equivalent were required to participate in a hybrid defined benefit/defined contribution (DB/DC) plan through December 31, 2024. The defined-benefit portion of this plan included a mandatory 8% employee contribution and 1% multiplier.

The defined contribution element was governed and accounted for separately, and included a mandatory employee contribution of 3.75% of salary which was matched 100% by the City. Additionally, these employees could voluntarily contribute up to an additional 4.25% of salary, which was also matched 100% by the City. Employees vested in the amount of the City's contribution at a rate of 20% per year and become fully vested in the City's contribution after 5 years of participation.

In August 2024, the City adopted Ordinance 24-O-1377, effective January 2025. The ordinance replaced the DB/DC plan with a pure Defined Benefit (DB) plan featuring a tiered benefits multiplier that increases with years of service and applies to all service. It also revises the cost-of-living adjustment, vesting schedule, and final average earnings period for benefit calculations.

The total mandatory employee contribution remains at 11.75%, with all future contributions directed to the DB plan. Upon retirement, employees will receive a monthly DB payment based on the new formula and retain access to funds accrued in the DC plan, which will continue to earn interest. As before, employees can make voluntary contributions to the DC plan.

Ordinance 24-O-1377 also introduced a multi-part Mitigation Plan that will be implemented if the Actuarially Determined Contribution (ADC) for the plans is projected to exceed 40% of projected payroll within the next five years. The Mitigation Plan allows the City to consider options related to the methods used to calculate the ADC as well as procedures for sharing additional required contributions between the City and plan participants. This replaces the previous 35% payroll cap under the previous ordinance.

(c) Contribution requirements – School System

Obligations to contribute to the Plan are subject to minimum funding standards of the Georgia Public Retirement Systems Standards law and are established by the Board. Previously, the School System's policy was to contribute to the Plan based on a level percent of payroll amortization method using a closed amortization period with 12.5 years remaining. By resolution adopted by the Atlanta Independent School System's Board on June 2, 2014, the School System changed its funding policy whereby each year's employer contribution will be equal to the prior year's amount, increased by 3%, until the Plan is fully funded. In addition, active participants are required to contribute 7% of pay to the Plan (8% if a participant is married or elects to name a covered beneficiary).

(d) Description of the benefit terms – The City

In 2024, the City adopted two ordinances that modified the retirement benefits of covered employees. Under Ordinance 24-O-1453, participants hired between July 1, 2010 and August 31, 2011 who were still actively employed on January 1, 2025 were eligible to be covered under the same provisions as those hired prior to July 1, 2010. All participants in this Fund elected to be covered under the provisions for those hired prior to July 1, 2010.

For participants hired on or after September 1, 2011, the City adopted Ordinance 24-O-1377, effective January 2025, to amend the hybrid plan (DB/DC). The new plan allowed employees to transition from the hybrid DB/DC plan to a pure DB pension plan with a tiered benefits structure multiplier that increases based on years of service and which applies to all service. Benefits attributable to service rendered on or after January 1, 2025 are determined under a tiered formula that applies multipliers between 1.6% and 2.4% per year of service.

Before the adoption of the new ordinances in 2024, participants hired after July 1, 2010 were subject to a different set of plan provisions and their benefits were provided through a hybrid DB/DC arrangement. In June 2011, the City Council approved changes for the City's three defined-benefit pension plans, effective on September 1, 2011 for new hires, and November 1, 2011 for existing employees. These changes included a lower benefit multiplier, a longer vesting schedule, and later early and normal retirement age requirements.

Prior to the change approved in June 2011, the Plan provided monthly retirement benefits that initially represent 3% for each year of credited service times the participants' final average three year earnings (limited to 80% of the average). Retirement benefits were adjusted annually based on the change in the consumer price index, limited to 3% per year. Upon the death of a vested participant who has beneficiary coverage, his or her eligible beneficiary (ies) would be entitled to three fourths of the amount the deceased participant was receiving or would have been entitled to receive.

Currently General Plan Employees are required to contribute to the Plan. Below are the terms the Plan has established to receive benefits:

Normal Pension

Any age with at least 30 years of creditable service; or

Age 60 with at least 10 years of creditable service
(hired prior to September 1, 2011); or

Age 62 with at least 10 years of creditable service,
(hired after August 31, 2011); or

Age 65 with at least 5 years of creditable service

For early retirement, there is a reduction of the retirement benefit of 0.5% for each month by which the participant's early retirement age precedes normal retirement age (for employees hired after August 31, 2011). The retirement benefit is reduced by 0.5% for each of the first 60 months and by 0.25% for each additional month by which the participant's early retirement age precedes the normal retirement age (for employees hired before September 1, 2011).

Early Pension

Any age with at least 10 years of creditable service
(hired before September 1, 2011); or

Minimum age of 52 with at least 10 years of service
(hired after August 31, 2011)

Disability

Service requirement:

5 years of credited service for non-job related disability. None for job related disability.

Hired before September 1, 2011

Greater of 50% of highest consecutive 36 months of salary at disability and benefit calculated as 2.5% times service accrued times average of the highest consecutive 36 months of salary at disability; benefit payable immediately

Hired after August 31, 2011

Greater of 50% of highest consecutive 36 months of salary at disability and benefit calculated as 2.0% times service accrued times average of the highest consecutive 36 months of salary at disability; benefit payable immediately

For participants who incur a catastrophic injury in the line of duty, the basic pension formula is 100 % of the top salary for the grade and position occupied by the participant at the time of disability.

For a service-connected disability for participants hired before 1986, the basic pension formula is the greater of 70% of the top salary for the employee's grade and position occupied by the participant at the time of disability or basic pension formula, offset by worker's compensation payments to the extent both payments exceed 100% of the participant's salary at the time of disability.

For participants hired on or after January 1, 1986, the basic pension formula is the greater of 50% of average monthly earnings at the time of disability or basic pension formula, offset by worker's compensation payments to the extent both payments exceed 75% of the participant's salary at the time of disability (payable until the earlier of recovery from disability or normal retirement age).

Death benefit pre-retirement

Hired before September 1, 2011

75% of 2.5% times service accrued times vested percentage times average of the highest consecutive 36 months of salary at death.

Hired after August 31, 2011

75% of 2.0% times service accrued times vested percentage times average of the highest consecutive 36 months of salary at death.

Death benefit after retirement

If an active participant who is eligible to retire, or a disabled or retired participant dies, 75% of the accrued pension benefit is payable to the beneficiary.

(e) Description of the benefit terms – School System

The major provisions of the Plan for the School System are as stated below.

Normal Pension

A participant may retire at age 60 after completing 10 years of service, or age 65 after completing 5 years of service, or any age after completing 30 years of service.. The monthly benefit is 2.5% of the 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.

Early Pension

A participant must have 10 years of credited service or age 60 with 5 years. The normal pension monthly amount is reduced by one half of 1% per month for the first 60 months and one quarter of 1% per month for the remaining months by which age at retirement is less than 60. Unreduced early retirement is available with 30 years of credited service.

Disability

A participant must have 5 years of credited service for non-job-related disability. For job-related disability, there is no service requirement. Normal pension is based on service accrued and final average salary at disability, payable immediately; cannot be less than 50% of the 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.

Pre-Retirement Death Benefits

If an active participant dies, 75% of 2.5% times service accrued times vested percentage times average of the highest consecutive 36 months of salary at death.

Death Benefits after Retirement Eligibility

If an active participant who is eligible to retire or a disabled or retired participant dies, 75% of the accrued pension benefit is payable to the beneficiary.

(f) Plan Membership

As of the beginning of the fiscal year ended June 30, 2025, participation in the plan was as follows:

	The City	School System
Inactive plan members or beneficiaries currently receiving benefits	4,011	1,512
Inactive plan members entitled to, but not yet receiving benefits	2,038	425
Active plan members	3,963	807
	10,012	2,744

As of the beginning of the fiscal year ended June 30, 2024, participation in the plan was as follows:

	The City	School System
Inactive plan members or beneficiaries currently receiving benefits	3,993	1,572
Inactive plan members entitled to, but not yet receiving benefits	1,897	383
Active plan members	3,745	781
	9,635	2,736

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements are prepared on the accrual basis of accounting. Employee and employer contributions are recognized when due, based on statutory requirements. Benefits and refunds are recognized as deductions from fiduciary net position when due and payable.

(b) Cash and Cash Equivalents

Cash represents cash deposits held at financial institutions. The Plan considers all highly liquid debt securities with an original maturity of three months or less when purchased to be cash equivalents.

(c) Investments

The Plan's investments are reported at fair value. Quoted market prices are used to value all investments in equities based on closing prices on the U.S. national securities exchange. Securities traded on the open market for which no sale was reported on that date are valued at the most recent quoted bid price.

Estimated fair values provided by third-party vendors are used to value U.S. government notes, corporate bonds, mutual funds, and U.S. government and agency guaranteed bonds, if not traded in an active market. Partnership investments and certain commingled vehicles are valued based on the net asset value (NAV) of the partnership, as reported by the investment managers. Net asset value is based upon the fair value of the underlying investments. Information provided by partnerships regarding the methods they use to value the underlying investments of the partnership and any restrictions on or illiquidity of the interests of partnerships are considered in determining fair value.

The net appreciation in the fair value of investments held by the Plan is recorded as an increase to investment income based on the valuation of investments as of the statement of fiduciary net position date. Investment income is recognized on the accrual basis as earned by the Plan.

(d) Use of Estimates

Management of the Plan has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosures of contingent assets and liabilities and the additions to and deletions from net position to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

(3) Pension Plan Investments

The Plan investments are made within the Public Retirement Systems Investment Authority Law of the Georgia Code (O.C.G.A. 47-20-80). The Board has been granted the authority by City Ordinance to establish and amend the plan investment policy. The Board is responsible for making all decisions with regard to the administration of the Plan, including the management of plan assets, establishing the investment policy and carrying out the policy on behalf of the Plan.

The Plan's investments are managed by various investment managers under contract with the Board who have discretionary authority over the assets managed by them and within the Plan's investment guidelines as established by the Board. The investments are held in trust by the Plan's custodian in the Plan's name. These assets are held exclusively for the purpose of providing benefits to members of the Plan and their beneficiaries.

State of Georgia Code and City statutes authorize the Plan to invest in U.S. government obligations, U.S. government agency obligations, State of Georgia obligations, obligations of a corporation of the U.S. government, the Georgia Fund 1 (a government investment pool maintained by the State of Georgia), and alternative investments. The Plan invests in repurchase agreements only when they are collateralized by U.S. government or agency obligations. The Plan is also authorized to invest in collateralized mortgage obligations (CMOs) to maximize yields. These securities are based on cash flows from interest payments on underlying mortgages. CMOs are sensitive to prepayment by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and mortgagees refinance their mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if mortgagees pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

In the development of a current asset allocation plan, the Board reviews the long-term performance and risk characteristics of various asset classes, balancing the risks and rewards of market behavior, and reviewing state legislation regarding investment options. The below asset classes are included in the plan investment objectives: Domestic Equities, International Equities, Domestic Fixed Income, International Fixed Income and Alternative Investments. The investment policy may be amended by a majority vote of the Board members.

Below is the asset allocation target assets mix in effect during fiscal year 2025 and 2024.

	Fiscal Year 2025 and 2024		
	Minimum	**Target**	**Maximum**
Domestic equity:			
Large cap	20.0 %	25.0 %	30.0 %
Mid cap	3.0 %	8.0 %	13.0 %
Small cap	1.0 %	6.0 %	11.0 %
International equity:			
Developed	9.0 %	14.0 %	19.0 %
Small cap	— %	4.0 %	9.0 %
Emerging markets equity	— %	4.0 %	9.0 %
Alternative investments	4.0 %	9.0 %	14.0 %
Fixed income:			
Core	25.0 %	30.0 %	35.0 %

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The Plan, by policy, is to invest the Plan funds in domestic equities, domestic fixed income securities, international equities, international fixed income, alternative investments, and cash equivalents. These instruments consist of common and preferred stock, obligations of the U.S. government and agencies (GNMA, FHLMC, and FNMA securities and CMOs), corporate bonds, and certificates of deposit. The Plan has limitations on the amounts managers are allowed to invest in any one issuer in all classes of securities. The Plan also invests in repurchase agreements, which must be fully collateralized by U.S. government or agency guaranteed securities. The Plan is in compliance with the policy.

The Plan's cash and cash equivalents comprise daily cash balances above day-to-day needs and funds set aside for portfolio strategy reasons. Short-term investments may be placed in 1) issues of the U.S. Treasury, federal agencies and federal government-sponsored enterprises with maturity of less than two years, 2) repurchase agreements immediately collateralized by the U.S. Treasury or federal agency, or 3) domestic corporate bonds, debentures and notes rated at least A by Moody's or Standard & Poor's with a maturity of thirty (30) days or less.

For the years ended June 30, 2025 and 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 11.40% and 10.00%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(a) Investment Risk Disclosures

Interest Rate Risk.

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Additionally, the fair values of the investments may be highly sensitive to interest rate fluctuations. The Plan has no specific policy to address interest rate risk.

Credit Risk.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating to each investment by a nationally recognized statistical rating organization. The Plan has no specific policy to address credit risk.

As of June 30, 2025 and 2024, the Plan had the following fixed income investments (dollars in thousands) with the corresponding credit ratings and maturities:

Type of investments	Credit rating	Maturity at June 30, 2025 Under 1 year	1–3 years	3–5 years	5–10 years	Over 10 years	Fair value
U.S. treasury securities	TSY	$ —	60,948	30,822	59,121	31,134	182,025
U.S. government agencies	AGY	6	17	35	261	99,651	99,970
International Treasury securities	BBB	—	—	—	—	1,462	1,462
Corporate bonds	AAA/A-	340	437	6,761	20,268	14,569	42,375
Corporate bonds	BBB+/BB+	—	542	10,107	7,945	16,472	35,066
Corporate bonds	NR	—	—	—	1,729	634	2,363
Bond-ETFs	NR	22,745	—	—	—	—	22,745
Asset-backed securities	AAA	—	—	886	4,023	—	4,909
Asset-backed securities	NR	—	233	1,531	—	578	2,342
CMOs	NR	—	—	—	—	51	51
State and local obligations	AAA/AA-	—	741	—	1,831	5,611	8,183
State and local obligations	NR	—	—	—	—	625	625
Commingled Funds	NR	138,001	—	—	—	—	138,001
		$161,092	62,918	50,142	95,178	170,787	540,117

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		Maturity at June 30, 2024					
Type of investments	**Credit rating**	**Under 1 year**	**1–3 years**	**3–5 years**	**5–10 years**	**Over 10 years**	**Fair value**
U.S. treasury securities	TSY/NR	$ 5,509	14,507	14,694	35,953	19,538	90,201
U.S. government agencies	AA+	296	—	—	—	—	296
U.S. government agencies	AGY	—	736	—	892	93,033	94,661
Corporate bonds	A-/A/A+/AA-/ AA/AAA	2,939	1,352	1,900	20,300	14,647	41,138
Corporate bonds	BBB-/BBB/ BBB+	846	2,761	3,993	13,636	12,947	34,183
Corporate bonds	NR	—	—	—	—	775	775
Bond-ETFs	NR	21,538	—	—	—	—	21,538
Asset-backed securities	AAA	—	2,936	3,239	3,191	710	10,076
Asset-backed securities	NR	—	629	2,272	1,514	824	5,239
CMOs	NR	—	—	—	—	102	102
State and local obligations	AA-/AA/AA+/ AAA	68	729	—	958	4,939	6,694
Commingled Funds	NR	86,460	—	—	—	—	86,460
		$ 117,656	23,650	26,098	76,444	147,515	391,363

Custodial Credit Risk.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Plan will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risks for investments, is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Plan requires that uninsured collected balances held in trust by the City for the Plan plus accrued interest in depository accounts be collateralized and that the market value of collateralized pledged securities must be at least 110% of the deposit balances, and 102% of collateral value for repurchase agreements.

All investments of the Plan are either held by the Plan or by the counterparty in the Plan's name, therefore, the Plan's investments had no custodial risks as of June 30, 2025 and 2024.

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Concentration of Credit Risk.

The Plan does not have a policy regarding the concentration of credit risk. Investments in any one issuer, excluding US. treasuries and government agencies, representing 5% or more of the net position restricted for pensions at June 30, 2025 and 2024 are as follows (in thousands):

Issuer	Investment type	June 30, 2025	June 30, 2024
BlackRock Equity Index Fund	Commingled Equity Fund	$ 256,067	$ 227,236
Johnston International Equity Group	Commingled Equity Fund	112,941	106,242
SSGA U.S. Aggregate Bond Index	Commingled Bond Fund	138,001	—

Foreign Currency Risk

Foreign currency risk is the risk that changes in currency exchange rates could adversely affect an investment's or deposit's fair value. The Plan does not have a policy regarding foreign currency risk.

Although all of the foreign equity securities are American Depository Receipts (ADRs), this does not eliminate the foreign currency risk involved in purchasing foreign securities.

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The following table provides the value in U.S. dollars by foreign currency denominations for the plan investments denominated in foreign currencies at June 30, 2025 and 2024 (dollars in thousands):

		June 30	
		2025	**2024**
Currency:	Country:		
Euro	Germany	66	—
Euro	Ireland	1,458	—
Euro	United Kingdom	4,094	2,093
Total Euro		5,618	2,093
Brazilian Real	Brazil	219	153
Canadian Dollar	Canada	1,346	3,373
Denmark Kroner	Denmark	2,630	4,925
Indian Rupee	India	454	481
Israeli New Shekel	Israel	1,630	1,276
Japanese Yen	Japan	844	820
Mexican Peso	Mexico	1,462	—
Taiwanese Dollar	Taiwan	1,132	—
Swiss Franc	Switzerland	205	187
Various foreign currencies	Emerging Markets Region	6,731	9,351
Various foreign currencies	International Region	122,694	117,228
Total securities subject to foreign currency risk		$ 144,965	139,887

(b) Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes the inputs into three categories – Level 1, Level 2 and Level 3 inputs – considering the relative reliability of the inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted (unadjusted) prices in active markets for identical financial assets or liabilities that are accessible at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the financial asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Plan also has investments held through limited partnerships and commingled vehicles for which fair value is estimated using the Net Asset Value (NAV) reported by the investment manager as a practical expedient to fair value. Such investments have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of fiduciary net position.

The following tables present the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2025 and 2024 (in thousands):

	June 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Short term investments:				
Cash and cash equivalents	$ 29,548	$ —	$ —	$ 29,548
Debt securities:				
Asset backed securities	—	7,302	—	7,302
Commingled bond fund	—	138,001	—	138,001
Corporate and municipal bonds	—	88,612	—	88,612
Bond exchange traded funds	22,745	—	—	22,745
U. S. Agency securities	—	99,970	—	99,970
U. S. Treasury securities	182,025	—	—	182,025
International Treasury Securities	—	1,462	—	1,462
Total debt securities	204,770	335,347	—	540,117
Equity securities:				
Commingled equity fund	—	455,988	—	455,988
Common stock	421,880	—	—	421,880
Exchange traded funds	130,895	—	—	130,895
Mutual Funds	113,679	—	—	113,679
Total equity securities	666,454	455,988	—	1,122,442
Total investments at fair value	$ 900,772	$ 791,335	$ —	$1,692,107
Investments measured at NAV:				
Commingled equity funds				226,208
Limited partnerships				15,170
Real estate fund				50,393
Total investments measured at NAV				291,771
Total investments				$1,983,878

	June 30, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Short term investments:				
Cash and cash equivalents	$ 43,989	$ —	$ —	$ 43,989
Debt securities:				
Asset backed securities	—	15,417	—	15,417
Commingled bond fund	—	86,460	—	86,460
Corporate and municipal bonds	—	82,790	—	82,790
Bond exchange traded funds	21,538	—	—	21,538
U.S. Agency securities	—	94,957	—	94,957
U.S. Treasury securities	90,201	—	—	90,201
Total debt securities	111,739	279,624	—	391,363
Equity securities:				
Commingled equity fund	—	421,725	—	421,725
Common stock	415,369	—	—	415,369
Exchange traded funds	159,857	—	—	159,857
Mutual Funds	108,898	—	—	108,898
Total equity securities	684,124	421,725	—	1,105,849
Total investments at fair value	$ 839,852	$ 701,349	$ —	$1,541,201
Investments measured at NAV:				
Commingled equity funds				209,196
Limited partnerships				12,275
Real estate fund				51,051
Total investments measured at NAV				272,522
Total investments				$1,813,723

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. These securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

Commingled equity funds classified in Level 2 are valued using prices quoted in active markets for those investments types and the readily determinable fair value per share (unit) which is determined based on the publication of the price or on the basis of current transactions.

Investments in privately held limited partnerships and commingled vehicles which do not have a readily determined fair value are valued using the NAV provided by the general partner/investment manager as of June 30, 2025 and 2024. The monthly or quarterly values of the partnership investments provided from the general partner are reviewed by the Plan to determine if any adjustments are necessary. The Plan currently has no plans to sell any of the investments resulting in these assets being carried at the NAV estimated by the general partner/investment manager.

(c) Securities Lending

State statutes and Board policies permit the Plan to lend its securities to broker dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. At June 30, 2025, the Plan had funds under a securities lending agreement with a market value of outstanding loans of $88,407,916 and collateral of $88,407,916 which consisted of cash and non-cash collateral investments. At June 30, 2024, the Plan had no credit risk exposure to securities lending.

(d) Alternative Investments

In fiscal year 2013, the Board authorized the Plan to invest in alternative investments. As of June 30, 2025 and 2024, the Plan had alternative investments totaling $65,562,830 and $63,325,957 respectively, in the form of real estate and limited partnerships.

The related unfunded commitments of the Plan's alternative investments and limitations and restrictions on the Plan's ability to redeem or sell are summarized as follows:

	Unfunded commitments	Redemptions frequency (if currently eligible)	Redemptions notice period
Private equity fund	$ 15,447,184	Not eligible	Not eligible

As of June 30, 2025, various investments have total Capital Commitments of $48,000,000 of which $15,447,184 is unfunded. Although the Plan is obligated to fund these commitments, many of these agreements allow resale.

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(4) Contributions Required and Contributions Made

The required contribution percentages developed in the actuarial valuations for the Plan for the years ended June 30, 2025 and 2024, and the actual contributions made are as follows (dollars in thousands):

	June 30, 2025	
	The City	**School System**
Service cost	15.45 %	14.54 %
Amortization of the unfunded actuarial accrued liability	17.66	153.70
Total required contributions as a percentage of covered payroll	33.11 %	168.24 %
2025 actual employee contributions:		
Dollar amount	$ 28,245	2,859
Percent of covered payroll	11.49 %	7.60 %
2025 actual employer contributions:		
Dollar amount	$ 55,207	65,800
Percent of covered payroll	22.46 %	174.83 %

	June 30, 2024	
	The City	**School System**
Service cost	12.23 %	18.37 %
Amortization of the unfunded actuarial accrued liability	19.90	190.10
Total required contributions as a percentage of covered payroll	32.13 %	208.47 %
2024 actual employee contributions:		
Dollar amount	$ 20,431	2,339
Percent of covered payroll	9.36 %	7.69 %
2024 actual employer contributions:		
Dollar amount	$ 48,772	63,800
Percent of covered payroll	22.35 %	209.66 %

The annual covered payroll for the City was approximately $245,836,000 and $218,239,000 for the years ended June 30, 2025 and 2024, respectively. The annual covered payroll for the School System was approximately $37,637,000 and $30,430,000 for the years ended June 30, 2025 and 2024, respectively. The actual employer contributions shown above include amounts used to fund retiree supplemental cost of living increases and other minimum benefits. These amounts are components of the City's contributions for purposes of meeting actuarially determined funding requirements.

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. The actuarially determined minimum employer contributions for the fiscal years ending June 30, 2025 and 2024 were $55,206,730 and $48,771,929 for the City. The actuarially determined minimum employer contributions for the fiscal years ending June 30, 2025 and 2024 were $65,800,000 and $63,800,000 for the School System.

(5) Contributions Receivable

(a) Employer

Employer contributions receivable represents Annual Determined Contributions owed but not yet remitted to the Plan. Total contributions receivable from employer was $2,305,634 and $9,999,873 respectively, as of June 30, 2025 and 2024.

(b) Employees

Contributions receivable from employees include amounts withheld from employees pay but not yet remitted to the Plan. Employees may receive credit for years of service from employment with certain state and local governmental agencies as well as prior employment with the City. Employees are eligible to make "back" contributions, which are applicable to such service periods. These contributions may be paid over a future period, even after retirement. In addition, 1962 and 1978 amendments to the Plan increased pension benefits and the related employee contribution rates. Active employees may retroactively increase their contribution rates from the date of employment in order to receive the maximum increased benefits available under the 1962 and 1978 amendments. These "back contributions" may also be paid over a future period. There were no contributions receivable from employees as of June 30, 2025, and $845,808 contributions receivable from employees as of June 30, 2024.

(6) Tax Status

The Plan and its trust are intended to be qualified under Sections 401(a) and 501(c) of the Internal Revenue Code (IRC) such that they are not subject to tax under federal income tax laws. The Internal Revenue Service (IRS) issued a favorable determination letter on May 11, 2017 with respect to the Plan, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. Although the Plan and related trust have been amended since the IRS issued its letter, the Plan Administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

(7) Market Conditions

Market volatility has been a key factor in the economy as well as the city's pension plans. Increased market volatility is usually caused by economic or policy factors, including changes in other markets, interest rate hikes, and the Fed's current monetary policy. Political instability and other global events, like a pandemic or a war, can also lead to market volatility.

The City continues to work closely with all stakeholders including the investment consultant, actuary, and other external partners. Continuity, monitoring, and long-term investments are the key areas of focus of the plan.

(8) Subsequent Event

On September 2, 2025, the School System amended its funding policy to require an annual contribution of at least $43 million each year commencing fiscal year 2026 until the Plan is fully funded and thereafter to continue contributions at the minimum annual contribution level until the funding policy is further amended.

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REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

(See Accompanying Independent Auditors' Report)

CITY OF ATLANTA, GEORGIA

GENERAL EMPLOYEES' PENSION PLAN

Required Supplementary Information

Schedule of Investment Returns

For the years ended June 30,

(Unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	11.40 %	10.00 %	9.67 %	(11.75)%	31.35 %	3.56 %	6.09 %	10.27 %	13.32 %	1.24 %

See accompanying independent auditors' report