Cavanaugh Macdonald
CONSULTING, LLC

The experience and dedication you deserve

Retirement Systems of Alabama

GASB STATEMENT NO. 68 REPORT

FOR THE

ALABAMA JUDICIAL RETIREMENT FUND

PREPARED AS OF SEPTEMBER 30, 2014

Cavanaugh Macdonald
CONSULTING, LLC
The experience and dedication you deserve

October 13, 2015

Board of Control
Alabama Judicial Retirement Fund
Montgomery, Alabama

Ladies and Gentlemen:

Presented in this report is information to assist the Alabama Judicial Retirement Fund (JRF) in meeting the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 68 and to identify the information to be provided by the actuary, Cavanaugh Macdonald Consulting (CMC). The information presented is for the period ending September 30, 2014 (the Measurement Date).

GASB Statement Number 68 establishes accounting and financial reporting requirements for governmental employers that provide pension benefits to their employees through a trust.

The annual actuarial valuation used as a basis for much of the information presented in this report was performed as of September 30, 2013. The valuation was based upon data, furnished by the JRF staff, for active, inactive and retired members along with pertinent financial information.

The actuarial calculations were performed by qualified actuaries according to generally accepted actuarial principles and practices, as well as in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board. The calculations are based on the current provisions of the Plan, and on actuarial assumptions that are, internally consistent and individually reasonable based on the actual experience of the Plan. In addition, the calculations were completed in compliance with the laws governing the Plan and, in our opinion, meet the requirements of GASB 68. The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

3550 Busbee Pkwy, Suite 250, Kennesaw, GA 30144
Phone (678) 388-1700 • Fax (678) 388-1730
www.CavMacConsulting.com
Offices in Englewood, CO • Kennesaw, GA • Bellevue, NE

These results are only for financial reporting and may not be appropriate for funding purposes or other types of analysis. Calculations for purposes other than satisfying the requirements of GASB 67 and GASB 68 may produce significantly different results. Future actuarial results may differ significantly from the current results presented in this report due to such factors as changes in plan experience or changes in economic or demographic assumptions.

Sincerely yours,

Edward A. Macdonald, ASA, FCA, MAAA
President

Cathy Turcot
Principal and Managing Director

John J. Garrett, ASA, FCA, MAAA
Principal and Consulting Actuary

CT/mjn

S:\Alabama Teachers\GASB\GASB 68 Report - ALA JRF 09302014 Template.docx

TABLE OF CONTENTS

REPORT OF THE ANNUAL GASB STATEMENT NO. 68
REQUIRED INFORMATION FOR THE
EMPLOYERS PARTCIPATING IN THE ALABAMA JUDICIAL RETIREMENT FUND

PREPARED AS OF SEPTEMBER 30, 2014

SECTION I – INTRODUCTION

The Governmental Accounting Standards Board issued Statement No. 68 (GASB 68), *"Accounting and Financial Reporting For Pensions"* in June 2012. GASB 68's effective date is for an employer's fiscal year beginning after June 15, 2014. The Alabama Judicial Retirement Fund (JRF) is a cost-sharing multiple employer defined benefit pension plan in a special funding situation.

This report, prepared as of September 30, 2014 (the Measurement Date), presents information to assist the employers participating in JRF in meeting the requirements of GASB 68 for the fiscal year ending in 2015 (Reporting Date). Much of the material provided in this report is based on the data, assumptions and results of the annual actuarial valuation of JRF as of September 30, 2013. The results of that valuation were detailed in a report dated July 18, 2014.

GASB 68 replaces GASB 27, and represents a significant departure from the requirements of the prior statement. GASB 27 required employers providing benefits through pension plans to report items consistent with the results of the plan's actuarial valuations, as long as those valuations met certain parameters. GASB 68 creates disclosure and reporting requirements that may or may not be consistent with the basis used for funding the Plan.

Two major changes in GASB 68 are the requirements to include a proportionate share of a Net Pension Liability (NPL) and to recognize a proportionate share of a Pension Expense (PE) in the financial statements of each of the participating employers and non-employer contributing entities.

The NPL shown in the GASB Statement No. 67 Report for the Alabama Judicial Retirement Fund Prepared as of September 30, 2014 and submitted February 6, 2015 is the collective NPL used for purposes of GASB 68. Please refer to that report for the derivation of the collective NPL.

Pension Expense includes amounts for service cost (the normal cost under the Entry Age Normal actuarial cost method for the year), interest on the Total Pension Liability (TPL), changes in benefit structure, amortization of increases/decreases in liability due to actuarial experience and actuarial assumption changes, and amortization of investment gains/losses. The actuarial experience and assumption change impacts are amortized over the average expected remaining service life of the Plan membership as of the Measurement Date, and investment gains/losses are amortized over five years. The development of the collective PE is shown in Section IV.

The unamortized portions of each year's experience, assumption changes and investment gains/losses are used to develop deferred inflows and outflows, which also must be included in the employer's financial statements. The development of the collective deferred inflows and outflows is shown in Section IV.

These collective amounts have been allocated based on the proportionate share associated with each participating employer. The State makes contributions to JRF for its employees and also on behalf of employees of the participating county employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB 68 and the State is treated as a non-employer contributing entity in JRF. Since the counties do not contribute directly to the JRF, there is no NPL or deferred inflows or outflows to report in the financial statements of the counties. However, the notes to the financial statements must disclose the portion of the non-employer contributing entities' total proportionate share of the collective NPL that is associated with the employer. In addition, each county must recognize the total PE associated with the county as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective PE associated with the county. Since all contributions are made by the State, the proportionate share associated with the employers has been allocated based on the total salaries of the employees of each employer.

Schedule A of this report shows the amount of salaries for the State employees and for the employees of each county employer for the years ending September 30, 2013 and September 30, 2014. Schedule A also shows the proportionate share percentages that have been determined based on these contributions.

Based on these percentages we have determined the proportionate share amounts of the NPL, PE and Deferred Inflows and Outflows for each participating employer. These amounts are shown in Schedule B.

Section II of this report is a summary of the principal results of the collective amounts under GASB 68. Section III provides the results of all the necessary calculations, presented in the order laid out in GASB 68 for note disclosure and Section V shows the Required Supplementary Information (RSI).

SECTION II - SUMMARY OF COLLECTIVE AMOUNTS

	2014
Valuation Date:	September 30, 2013
Measurement Date:	September 30, 2014
Reporting Date:	September 30, 2015
Single Equivalent Interest Rate (SEIR):	
Long-Term Expected Rate of Return	8.00%
Municipal Bond Index Rate	4.13%
Fiscal Year in which Plan's Fiduciary Net Position is projected to be depleted from future benefit payments for current members	N/A
Single Equivalent Interest Rate	8.00%
Net Pension Liability:	
Total Pension Liability (TPL)	$ 420,068,860
Plan Fiduciary Net Position (FNP)	274,975,730
Net Pension Liability (NPL = TPL – FNP)	$ 145,093,130
FNP as a percentage of TPL	65.46%
Collective Pension Expense (PE):	$ 15,028,461
Deferred Outflows of Resources:	$ 0
Deferred Inflows of Resources:	$ 9,133,891

SECTION III – NOTES TO FINANCIAL STATEMENTS

The material presented herein will follow the order presented in GASB 68. Paragraph numbers are provided for ease of reference. Amounts are shown in aggregate. Please refer to Schedule B of this report for the proportionate share of certain pension amounts as required by GASB 68.

Paragraphs 77 and 78(a)-(e): These paragraphs require information to be disclosed regarding the actuarial assumptions used to measure the TPL. The actuarial assumptions used in the September 30, 2013 valuation were based on the results of an actuarial experience study for the period October 1, 2005 – September 30, 2010. The complete set of actuarial assumptions utilized in developing the TPL are outlined in Schedule D.

The TPL was determined by an actuarial valuation as of September 30, 2013, using the following key actuarial assumptions:

Inflation	3.00 percent
Salary increases, including inflation	4.00 percent
Long-Term Investment Rate of Return, net of pension plan investment expense, including inflation	8.00 percent

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvement based on Scale AA projected to 2015 and set forward one year for females. In our opinion, the projection to 2015 of the RP-2000 mortality rates with Scale AA continues to provide a sufficient margin in the assumed rates of mortality to allow for additional improvement in mortality experience.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis 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 future real rates of return by the target asset allocation percentage and by 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 Rate of Return*
Fixed Income	25.00%	5.00%
US Large Stocks	34.00%	9.00%
US Mid Stocks	8.00%	12.00%
US Small Stocks	3.00%	15.00%
Int'l Developed Mkt Stocks	15.00%	11.00%
Int'l Emerging Mkt Stocks	3.00%	16.00%
Real Estate	10.00%	7.50%
Cash	2.00%	1.50%
Total	100.00%	

*Includes assumed rate of inflation of 2.50%.

Discount rate. The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Paragraph 78 (g): This paragraph requires disclosure of the sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the System, calculated using the discount rate of 8.00 percent, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
System's net pension liability	$190,495,178	$145,093,130	$105,898,494

Paragraph 80(a): This paragraph requires disclosure of the employer's proportionate share of the collective NPL and if an employer has a special funding situation the portion of the non-employer contributing entities' proportional share of the collective NPL that is associated with the employer. These amounts are shown in Schedule B.

Paragraph 80(b): This paragraph requires disclosure of the employer's proportion (percentage) of the collective NPL and the changes in proportion since the prior measurement date. These amounts are shown for all entities in Schedule A.

Paragraph 80(c): September 30, 2013 is the actuarial valuation date upon which the TPL is based. An expected TPL is determined as of September 30, 2014 using standard roll forward techniques. The procedure used to determine the TPL as of September 30, 2014 is shown on page 6 of the GASB 67 report for JRF submitted on February 6, 2015.

Paragraph 80(g): Please see Section IV of this report for the development of the collective pension expense. The PE associated with each employer is shown in Schedule B.

Paragraph 80(h): Since certain expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts serve to reduce pension expense they are labeled deferred inflows. If they will increase pension expense they are labeled deferred outflows. The amortization of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions, if any, are amortized over the average expected remaining service life of the active and inactive Plan members at the beginning of the fiscal year. Investment gains and losses are amortized over a fixed five year period.

The table below provides a summary of the collective deferred inflows and outflows as of the Measurement Date. The allocation of the collective deferred inflows and outflows is provided in Schedule B.

	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources
Differences between expected and actual experience	$0	$0
Changes of actuarial assumptions	0	0
Net difference between projected and actual earnings on plan investments	0	9,133,891
Total	$ 0	$ 9,133,891

Paragraph 80(i): Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (100% of these amounts are allocated to the State):

Deferred Amounts to be Recognized in Fiscal Years Following the Reporting Date:	
Year 1	$ (2,283,473)
Year 2	(2,283,473)
Year 3	(2,283,473)
Year 4	(2,283,472)
Year 5	0
Thereafter	0

Paragraph 80(j): The amount of revenue recognized for the support provided by the non-employer contributing entity for the participating employers is provided in Schedule B.

SECTION IV – PENSION EXPENSE

As noted earlier, the collective Pension Expense (PE) consists of a number of different items. GASB 68 refers to the first as Service Cost which is the Normal Cost using the Entry Age Normal actuarial funding method. The second item is interest on the beginning Total Pension Liability (TPL) and the cash flow during the year at the 8.00% rate of return in effect as of the previous measurement date.

The next three items refer to any changes that occurred in the TPL due to:

- benefit changes, or
- actual versus expected experience, or
- changes in actuarial assumptions.

Benefit changes, which are reflected immediately in PE, can be positive, if there is a benefit improvement for existing Plan members, or negative if there is a benefit reduction. For the year ended September 30, 2014, there were no benefit changes to be recognized.

The next item to be recognized is the portion of current year changes in TPL due to actual versus expected Plan experience for the year. The portion to recognize in the current year is determined by spreading the total change over the average expected remaining service life of the entire Plan membership determined at the beginning of the year. The average expected remaining service life of active members is the average number of years the active members are expected to remain active. For the year ended September 30, 2014 this number of years for the active members is 9.7. The average expected remaining service life of the inactive members is, of course, zero. Therefore, the number of years to use for the amortization is the weighted average for all active and inactive members, or 4.5 years. Since this is the first year of implementation of GASB 68 and roll-forward procedures were used to determine the TPL at the measurement date, there were no changes due to actual versus expected experience to be recognized for the year.

The last item under changes in TPL are changes in actuarial assumptions. There were no changes in assumptions since the last measurement date. If there was a change in TPL due to changes in actuarial assumptions, recognition of the change would also be spread over the average expected remaining service life of the plan membership.

Member contributions for the year and projected earnings on the Fiduciary Net Position (FNP), again at the discount rate used to calculate the liabilities, are subtracted from the amount determined thus far. One-fifth of current period differences between projected and actual investment earnings on the FNP are recognized in the pension expense. The amount to be recognized due to investment experience for the year is ($2,283,473).

The current year portions of previously determined experience, assumption and earnings amounts, recognized as deferred outflows and inflows (see Section V) are included also. Deferred outflows are added to the PE while deferred inflows are subtracted from the PE. Since this is the first year of implementation of GASB 68, there were no deferred inflows or outflows at the beginning of the year. Finally, administrative expenses and other miscellaneous items are included.

The calculation of the Collective Pension Expense determined as of the measurement date is shown in the following table:

Collective Pension Expense Determined as of the Measurement Date	
Service Cost at end of year	$ 9,480,793
Interest on the TPL and net cash flow	31,520,713
Current-period benefit changes	0
Expensed portion of current-period difference between expected and actual experience in the total pension liability	0
Expensed portion of current-period changes of assumptions	0
Member contributions	(3,764,158)
Projected earnings on plan investments	(19,925,414)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(2,283,473)
Administrative expense	0
Other	0
Recognition of beginning deferred outflows of resources as pension expense	0
Recognition of beginning deferred inflows of resources as pension expense	0
Collective Pension Expense	$ 15,028,461

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

Paragraphs 81(a)-(b): This information was supplied in individual employer reporting.

Paragraph 82:

Changes of benefit terms. The member contribution rate was increased from 6.00% of salary to 8.25% of salary on October 1, 2011, and to 8.50% of salary on October 1, 2012.

Changes of assumptions. In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

SCHEDULE A

Alabama Judicial Retirement Fund
Schedule of Employer Allocations
For the Fiscal Years Ended September 30, 2013 and September 30, 2014

County	2013 Calculated Salary	2013 Employer Allocation Percentage	2014 Calculated Salary	2014 Employer Allocation Percentage
Autauga	$ 124,147	0.29215%	$ 124,147	0.28929%
Baldwin	121,799	0.28662%	123,409	0.28757%
Barbour	52,501	0.12355%	52,501	0.12234%
Bibb	75,608	0.17792%	75,608	0.17619%
Blount	71,582	0.16845%	75,162	0.17515%
Bullock	52,501	0.12355%	52,501	0.12234%
Butler	85,738	0.20176%	88,310	0.20578%
Calhoun	87,905	0.20686%	91,728	0.21375%
Chambers	80,025	0.18832%	83,872	0.19544%
Cherokee	106,916	0.25160%	107,956	0.25156%
Chilton	65,785	0.15481%	66,431	0.15480%
Choctaw	81,967	0.19289%	84,016	0.19578%
Clarke	75,568	0.17783%	77,079	0.17961%
Clay	71,869	0.16912%	74,029	0.17251%
Cleburne	99,843	0.23495%	102,131	0.23799%
Coffee	97,564	0.22959%	100,004	0.23303%
Colbert	68,464	0.16111%	73,124	0.17040%
Conecuh	98,720	0.23231%	106,618	0.24844%
Coosa	71,363	0.16793%	71,363	0.16629%
Covington	88,588	0.20847%	88,688	0.20666%
Crenshaw	81,481	0.19174%	85,806	0.19995%
Cullman	78,140	0.18388%	81,661	0.19029%
Dale	67,981	0.15997%	66,426	0.15479%
Dallas	74,870	0.17619%	92,180	0.21480%
DeKalb	86,613	0.20382%	92,336	0.21516%
Elmore	87,385	0.20564%	94,097	0.21927%
Escambia	73,543	0.17306%	74,584	0.17380%
Etowah	146,574	0.34492%	146,574	0.34155%
Fayette	137,643	0.32391%	138,655	0.32310%
Franklin	124,445	0.29285%	124,445	0.28999%
Geneva	76,350	0.17967%	77,877	0.18147%
Greene	81,515	0.19182%	83,962	0.19565%
Hale	96,497	0.22708%	100,888	0.23509%
Henry	109,555	0.25781%	105,073	0.24484%
Houston	81,255	0.19121%	82,780	0.19290%
Jackson	98,474	0.23173%	99,449	0.23174%
Jefferson	292,374	0.68802%	292,374	0.68130%
Lamar	137,644	0.32391%	138,994	0.32389%
Lauderdale	77,113	0.18147%	82,388	0.19198%
Lawrence	77,826	0.18314%	75,553	0.17606%
Lee	92,147	0.21684%	93,631	0.21818%
Limestone	95,159	0.22393%	98,013	0.22839%

SCHEDULE A (continued)

County		2013 Calculated Salary	2013 Employer Allocation Percentage		2014 Calculated Salary	2014 Employer Allocation Percentage
Lowndes	$	74,174	0.17455%	$	74,174	0.17284%
Macon		133,817	0.31490%		133,817	0.31182%
Madison		98,680	0.23222%		109,756	0.25576%
Marengo		99,397	0.23390%		91,543	0.21332%
Marion		84,681	0.19927%		107,101	0.24957%
Marshall		78,510	0.18475%		78,896	0.18385%
Mobile		155,831	0.36671%		155,831	0.36312%
Monroe		122,276	0.28775%		122,266	0.28491%
Montgomery		102,266	0.24066%		107,425	0.25033%
Morgan		86,188	0.20282%		86,188	0.20084%
Perry		71,543	0.16836%		71,543	0.16671%
Pickens		62,532	0.14715%		64,425	0.15013%
Pike		105,014	0.24712%		87,259	0.20333%
Randolf		61,945	0.14577%		61,945	0.14435%
Russell		82,552	0.19426%		82,552	0.19236%
Shelby		120,448	0.28344%		120,148	0.27997%
St. Clair		86,104	0.20262%		88,196	0.20552%
Sumter		71,883	0.16916%		72,041	0.16787%
Talladega		85,488	0.20117%		85,488	0.19921%
Tallapoosa		71,108	0.16733%		71,107	0.16570%
Tuscaloosa		147,207	0.34641%		148,865	0.34689%
Walker		72,552	0.17073%		72,552	0.16906%
Washington		98,460	0.23170%		100,902	0.23512%
Wilcox		69,270	0.16301%		72,186	0.16821%
Winston		107,192	0.25225%		105,147	0.24502%
Total for State Support Provided to the Counties	$	6,302,155	14.83041%	$	6,417,776	14.95492%
State Employers	$	36,192,530	85.16959%	$	36,496,373	85.04508%
Total State of Alabama	$	42,494,685	100.00000%	$	42,914,149	100.00000%

SCHEDULE B

Alabama Judicial Retirement Fund
Schedule of Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2015 with Net Pension Liability as of September 30, 2014

			Deferred Outflows of Resources				Deferred Inflows of Resources					Pension Expense		
County	Net Pension Liability 2013	Net Pension Liability 2014	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Autauga	$ 451,220	419,740	-	-	-	-	-	26,423	-	3,435	29,858	43,475	(982)	42,493
Baldwin	442,679	417,244	-	-	1,141	1,141	-	26,266	-	-	26,266	43,217	326	43,543
Barbour	190,821	177,507	-	-	-	-	-	11,174	-	1,454	12,628	18,385	(415)	17,970
Bibb	274,794	255,640	-	-	-	-	-	16,093	-	2,078	18,171	26,479	(594)	25,885
Blount	260,168	254,131	-	-	8,048	8,048	-	15,998	-	-	15,998	26,323	2,300	28,623
Bullock	190,821	177,507	-	-	-	-	-	11,174	-	1,454	12,628	18,385	(415)	17,970
Butler	311,614	298,573	-	-	4,829	4,829	-	18,796	-	-	18,796	30,926	1,380	32,306
Calhoun	319,491	310,137	-	-	8,276	8,276	-	19,524	-	-	19,524	32,125	2,365	34,490
Chambers	290,857	283,570	-	-	8,553	8,553	-	17,851	-	-	17,851	29,371	2,444	31,815
Cherokee	388,591	364,996	-	-	-	-	-	22,977	-	48	23,025	37,806	(14)	37,792
Chilton	239,101	224,604	-	-	-	-	-	14,139	-	12	14,151	23,263	(3)	23,260
Choctaw	297,915	284,063	-	-	3,472	3,472	-	17,882	-	-	17,882	29,421	992	30,413
Clarke	274,655	260,602	-	-	2,138	2,138	-	16,405	-	-	16,405	26,993	611	27,604
Clay	261,203	250,300	-	-	4,072	4,072	-	15,757	-	-	15,757	25,925	1,164	27,089
Cleburne	362,876	345,307	-	-	3,652	3,652	-	21,738	-	-	21,738	35,766	1,043	36,809
Coffee	354,597	338,111	-	-	4,132	4,132	-	21,285	-	-	21,285	35,022	1,181	36,203
Colbert	248,831	247,239	-	-	11,160	11,160	-	15,564	-	-	15,564	25,609	3,188	28,797
Conecuh	358,798	360,469	-	-	19,376	19,376	-	22,692	-	-	22,692	37,337	5,536	42,873
Coosa	259,365	241,275	-	-	-	-	-	15,189	-	1,970	17,159	24,990	(563)	24,427
Covington	321,978	299,849	-	-	-	-	-	18,876	-	2,175	21,051	31,058	(621)	30,437
Crenshaw	296,139	290,114	-	-	9,862	9,862	-	18,263	-	-	18,263	30,049	2,818	32,867
Cullman	283,999	276,098	-	-	7,700	7,700	-	17,381	-	-	17,381	28,598	2,200	30,798
Dale	247,071	224,590	-	-	-	-	-	14,138	-	6,222	20,360	23,262	(1,778)	21,484
Dallas	272,122	311,660	-	-	46,380	46,380	-	19,620	-	-	19,620	32,282	13,252	45,534
DeKalb	314,796	312,182	-	-	13,622	13,622	-	19,652	-	-	19,652	32,335	3,892	36,227
Elmore	317,607	318,146	-	-	16,373	16,373	-	20,028	-	-	20,028	32,954	4,678	37,632
Escambia	267,288	252,172	-	-	889	889	-	15,875	-	-	15,875	26,120	254	26,374
Etowah	532,722	495,566	-	-	-	-	-	31,197	-	4,048	35,245	51,331	(1,157)	50,174
Fayette	500,273	468,796	-	-	-	-	-	29,512	-	973	30,485	48,557	(278)	48,279
Franklin	452,301	420,756	-	-	-	-	-	26,487	-	3,435	29,922	43,581	(982)	42,599

SCHEDULE B (continued)

			Deferred Outflows of Resources				Deferred Inflows of Resources					Pension Expense		
County	Net Pension Liability 2013	Net Pension Liability 2014	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Geneva	$ 277,497	263,301	-	-	2,162	2,162	-	16,575	-	-	16,575	27,272	618	27,890
Greene	296,262	283,875	-	-	4,601	4,601	-	17,870	-	-	17,870	29,404	1,314	30,718
Hale	350,721	341,099	-	-	9,622	9,622	-	21,473	-	-	21,473	35,330	2,749	38,079
Henry	398,183	355,246	-	-	-	-	-	22,363	-	15,580	37,943	36,795	(4,452)	32,343
Houston	295,320	279,885	-	-	2,030	2,030	-	17,619	-	-	17,619	28,990	580	29,570
Jackson	357,903	336,239	-	-	12	12	-	21,167	-	-	21,167	34,827	3	34,830
Jefferson	1,062,634	988,519	-	-	-	-	-	62,229	-	8,073	70,302	102,388	(2,306)	100,082
Lamar	500,273	469,942	-	-	-	-	-	29,584	-	24	29,608	48,676	(7)	48,669
Lauderdale	280,277	278,550	-	-	12,625	12,625	-	17,535	-	-	17,535	28,852	3,607	32,459
Lawrence	282,856	255,451	-	-	-	-	-	16,081	-	8,505	24,586	26,459	(2,430)	24,029
Lee	334,905	316,564	-	-	1,610	1,610	-	19,928	-	-	19,928	32,788	460	33,248
Limestone	345,856	331,378	-	-	5,357	5,357	-	20,861	-	-	20,861	34,323	1,531	35,854
Lowndes	269,589	250,779	-	-	-	-	-	15,787	-	2,054	17,841	25,975	(587)	25,388
Macon	486,357	452,429	-	-	-	-	-	28,481	-	3,700	32,181	46,861	(1,057)	45,804
Madison	358,659	371,090	-	-	28,278	28,278	-	23,361	-	-	23,361	38,437	8,079	46,516
Marengo	361,254	309,513	-	-	-	-	-	19,484	-	24,722	44,206	32,058	(7,063)	24,995
Marion	307,769	362,109	-	-	60,423	60,423	-	22,795	-	-	22,795	37,506	17,264	54,770
Marshall	285,343	266,754	-	-	-	-	-	16,793	-	1,081	17,874	27,630	(309)	27,321
Mobile	566,377	526,862	-	-	-	-	-	33,167	-	4,313	37,480	54,571	(1,232)	53,339
Monroe	444,424	413,385	-	-	-	-	-	26,023	-	3,411	29,434	42,817	(975)	41,842
Montgomery	371,695	363,212	-	-	11,616	11,616	-	22,865	-	-	22,865	37,621	3,319	40,940
Morgan	313,252	291,405	-	-	-	-	-	18,345	-	2,378	20,723	30,183	(680)	29,503
Perry	260,029	241,885	-	-	-	-	-	15,227	-	1,982	17,209	25,053	(566)	24,487
Pickens	227,270	217,828	-	-	3,580	3,580	-	13,713	-	-	13,713	22,562	1,023	23,585
Pike	381,672	295,018	-	-	-	-	-	18,572	-	52,603	71,175	30,558	(15,030)	15,528
Randolf	225,139	209,442	-	-	-	-	-	13,185	-	1,706	14,891	21,694	(487)	21,207
Russell	300,031	279,101	-	-	-	-	-	17,570	-	2,283	19,853	28,909	(652)	28,257
Shelby	437,768	406,217	-	-	-	-	-	25,572	-	4,168	29,740	42,074	(1,191)	40,883
St. Clair	312,943	298,195	-	-	3,484	3,484	-	18,772	-	-	18,772	30,886	995	31,881
Sumter	261,264	243,568	-	-	-	-	-	15,333	-	1,549	16,882	25,228	(443)	24,785
Talladega	310,703	289,040	-	-	-	-	-	18,196	-	2,354	20,550	29,939	(673)	29,266
Tallapoosa	258,438	240,419	-	-	-	-	-	15,135	-	1,958	17,093	24,902	(560)	24,342
Tuscaloosa	535,024	503,314	-	-	576	576	-	31,685	-	-	31,685	52,133	165	52,298
Walker	263,689	245,294	-	-	-	-	-	15,442	-	2,006	17,448	25,407	(573)	24,834
Washington	357,856	341,143	-	-	4,108	4,108	-	21,476	-	-	21,476	35,336	1,174	36,510
Wilcox	251,766	244,061	-	-	6,246	6,246	-	15,364	-	-	15,364	25,279	1,785	27,064
Winston	389,595	355,507	-	-	-	-	-	22,380	-	8,685	31,065	36,823	(2,482)	34,341
Total for State Support Provided to the Counties	$ 22,905,286	21,698,563	-	-	330,005	330,005	-	1,365,964	-	180,439	1,546,403	2,247,491	42,733	2,290,224
State Employers	$ 131,542,781	123,394,567	-	-	-	-	-	7,767,927	-	149,566	7,917,493	12,780,970	(42,733)	12,738,237
Total State of Alabama	$ 154,448,067	145,093,130	-	-	330,005	330,005	-	9,133,891	-	330,005	9,463,896	15,028,461	-	15,028,461

SCHEDULE C

Alabama Judicial Retirement Fund
Schedule of Remaining Deferred Outflows/(Inflows)
As of and for the Fiscal Year Ending September 30, 2015

County		2016	2017	2018	2019	2020	Thereafter
Autauga	$	(7,587)	(7,587)	(7,587)	(7,097)	0	0
Baldwin		(6,241)	(6,241)	(6,241)	(6,402)	0	0
Barbour		(3,209)	(3,209)	(3,209)	(3,001)	0	0
Bibb		(4,617)	(4,617)	(4,617)	(4,320)	0	0
Blount		(1,700)	(1,700)	(1,700)	(2,850)	0	0
Bullock		(3,209)	(3,209)	(3,209)	(3,001)	0	0
Butler		(3,319)	(3,319)	(3,319)	(4,010)	0	0
Calhoun		(2,516)	(2,516)	(2,516)	(3,700)	0	0
Chambers		(2,019)	(2,019)	(2,019)	(3,241)	0	0
Cherokee		(5,758)	(5,758)	(5,758)	(5,751)	0	0
Chilton		(3,538)	(3,538)	(3,538)	(3,537)	0	0
Choctaw		(3,479)	(3,479)	(3,479)	(3,973)	0	0
Clarke		(3,490)	(3,490)	(3,490)	(3,797)	0	0
Clay		(2,776)	(2,776)	(2,776)	(3,357)	0	0
Cleburne		(4,391)	(4,391)	(4,391)	(4,913)	0	0
Coffee		(4,141)	(4,141)	(4,141)	(4,730)	0	0
Colbert		(703)	(703)	(703)	(2,295)	0	0
Conecuh		(137)	(137)	(137)	(2,905)	0	0
Coosa		(4,360)	(4,360)	(4,360)	(4,079)	0	0
Covington		(5,340)	(5,340)	(5,340)	(5,031)	0	0
Crenshaw		(1,748)	(1,748)	(1,748)	(3,157)	0	0
Cullman		(2,145)	(2,145)	(2,145)	(3,246)	0	0
Dale		(5,312)	(5,312)	(5,312)	(4,424)	0	0
Dallas		8,347	8,347	8,347	1,719	0	0
DeKalb		(1,021)	(1,021)	(1,021)	(2,967)	0	0
Elmore		(329)	(329)	(329)	(2,668)	0	0
Escambia		(3,715)	(3,715)	(3,715)	(3,841)	0	0
Etowah		(8,956)	(8,956)	(8,956)	(8,377)	0	0
Fayette		(7,656)	(7,656)	(7,656)	(7,517)	0	0
Franklin		(7,603)	(7,603)	(7,603)	(7,113)	0	0
Geneva		(3,526)	(3,526)	(3,526)	(3,835)	0	0
Greene		(3,153)	(3,153)	(3,153)	(3,810)	0	0
Hale		(2,619)	(2,619)	(2,619)	(3,994)	0	0
Henry		(10,042)	(10,042)	(10,042)	(7,817)	0	0
Houston		(3,825)	(3,825)	(3,825)	(4,114)	0	0
Jackson		(5,288)	(5,288)	(5,288)	(5,291)	0	0
Jefferson		(17,864)	(17,864)	(17,864)	(16,710)	0	0
Lamar		(7,403)	(7,403)	(7,403)	(7,399)	0	0
Lauderdale		(777)	(777)	(777)	(2,579)	0	0
Lawrence		(6,450)	(6,450)	(6,450)	(5,236)	0	0
Lee		(4,522)	(4,522)	(4,522)	(4,752)	0	0
Limestone		(3,685)	(3,685)	(3,685)	(4,449)	0	0

SCHEDULE C (continued)

County		2016	2017	2018	2019	2020	Thereafter
Lowndes	$	(4,534)	(4,534)	(4,534)	(4,239)	0	0
Macon		(8,177)	(8,177)	(8,177)	(7,650)	0	0
Madison		2,239	2,239	2,239	(1,800)	0	0
Marengo		(11,934)	(11,934)	(11,934)	(8,404)	0	0
Marion		11,565	11,565	11,565	2,933	0	0
Marshall		(4,507)	(4,507)	(4,507)	(4,353)	0	0
Mobile		(9,524)	(9,524)	(9,524)	(8,908)	0	0
Monroe		(7,481)	(7,481)	(7,481)	(6,991)	0	0
Montgomery		(2,397)	(2,397)	(2,397)	(4,058)	0	0
Morgan		(5,266)	(5,266)	(5,266)	(4,925)	0	0
Perry		(4,373)	(4,373)	(4,373)	(4,090)	0	0
Pickens		(2,405)	(2,405)	(2,405)	(2,918)	0	0
Pike		(19,673)	(19,673)	(19,673)	(12,156)	0	0
Randolf		(3,784)	(3,784)	(3,784)	(3,539)	0	0
Russell		(5,045)	(5,045)	(5,045)	(4,718)	0	0
Shelby		(7,584)	(7,584)	(7,584)	(6,988)	0	0
St. Clair		(3,698)	(3,698)	(3,698)	(4,194)	0	0
Sumter		(4,276)	(4,276)	(4,276)	(4,054)	0	0
Talladega		(5,222)	(5,222)	(5,222)	(4,884)	0	0
Tallapoosa		(4,343)	(4,343)	(4,343)	(4,064)	0	0
Tuscaloosa		(7,756)	(7,756)	(7,756)	(7,841)	0	0
Walker		(4,434)	(4,434)	(4,434)	(4,146)	0	0
Washington		(4,195)	(4,195)	(4,195)	(4,783)	0	0
Wilcox		(2,056)	(2,056)	(2,056)	(2,950)	0	0
Winston		(8,077)	(8,077)	(8,077)	(6,834)	0	0
Total for State Support Provided to the Counties	$	(298,759)	(298,759)	(298,759)	(320,121)	0	0
State Employers	$	(1,984,714)	(1,984,714)	(1,984,714)	(1,963,351)	0	0
Total State of Alabama	$	(2,283,473)	(2,283,473)	(2,283,473)	(2,283,472)	0	0

SCHEDULE D

SUMMARY OF MAIN PLAN PROVISIONS
AS INTERPRETED FOR ACCOUNTING AND REPORTING VALUATION PURPOSES

The Judicial Retirement Fund was established September 18, 1973. The valuation took into account amendments to the Fund effective through the valuation date. The following summary describes the main benefit and contribution provisions of the Fund as interpreted for the valuation.

Membership

Any justice of the Supreme Court, judge of the Court of Civil Appeals, judge of the Court of Criminal Appeals, judge of the Circuit Court or officeholder of any newly created judicial office receiving compensation from the State treasury became a member of the fund if he was holding office on the effective date of the Act and elected to come under its provisions. Any such justice or judge elected or appointed to office after the effective date of the Act or any district or probate judge elected or appointed to office after October 10, 1975 or October 1, 1976, respectively, automatically becomes a member. Certain other district and probate judges as well as certain former county court judges, district attorneys or assistant district attorneys serving as circuit judges and certain supernumerary judges and justices could also elect to become members.

Credited Service

Credited service is service as a member plus certain periods of previous service credited in accordance with the provisions of the Act.

Benefits

Service Retirement Benefit

Condition for Benefit   A retirement benefit is payable upon the request of any member who has:

- Completed 12 years of credited service and attained age 65, or
- Completed 15 years of credited service and whose age plus service equals or exceeds 77, or
- Completed at least 18 years of credited service or three full terms as a judge or justice, or
- Completed 10 years of credited service and attained age 70

However, a judge who became a member on or after July 30, 1979 or who is a district or probate judge must meet the following age and service requirement combinations in order to be eligible to retire:

SCHEDULE D (continued)

- Completed 12 years of credited service and attained age 65, or
- Completed at least 15 years of credited service and attained age 60, and whose age plus service equals or exceeds 77, or
- Completed 10 years of credited service and attained age 70, or
- Completed 25 years of credited service (or completed 24 years of credited service provided the member purchases one year of service prior to retirement) regardless of age

Amount of Benefit — The service retirement benefit for a member is equal to:

(a) For a circuit or appellate judge, who was a member prior to July 30, 1979, 75% of the salary prescribed by law for the position from which the member retires.

(b) For a circuit or appellate judge who became a member on or after July 30, 1979, 75% of the member's salary at the time of separation from service.

(c) For a district judge, 75% of the position's salary immediately prior to retirement.

(d) For a probate judge, 75% of the member's salary at the time of separation from service.

Disability Retirement Benefit

Condition for Benefit — A disability retirement benefit is payable to any member who becomes permanently, physically or mentally, unable to carry out his duties on a full-time basis, provided the member has completed five or more years of credited service.

Amount of Benefit — The disability retirement benefit for a member other than a district or probate judge who was a member prior to July 30, 1979 is equal to 25% of the salary prescribed by law for the position from which the member retires on disability plus 10% of such salary for each year of credited service in excess of five years. The disability retirement benefit is subject to a minimum of 30% and a maximum of 75% of such salary.

The disability retirement benefit for a judge who became a member on or after July 30, 1979 or who is a district or probate judge is equal to 25% of his salary immediately prior to retirement plus 10% of such salary for each year of credited service in excess of five years. The disability retirement benefit is subject to a minimum of 30% and a maximum of 75% of such salary.

Spouse's Benefit

Condition for Benefit — Upon the death of an active, inactive or retired member with at least 5 years of credited service, a death benefit is payable to the member's spouse.

Amount of Benefit — The death benefit payable to the spouse of a judge other than a district or probate judge consists of a yearly benefit equal to 3% of the salary prescribed by law for the position of the former member for each year of service, not to exceed 30% of such salary.

The death benefit payable to the spouse of a district judge consists of a yearly benefit equal to 3% of the position's salary prescribed by law at the time of death for each year of service not to exceed 30% of such salary.

SCHEDULE D (continued)

The death benefit payable to the spouse of a probate judge is a yearly benefit equal to the greater of $480 for each year of credited service to a maximum of 10 years, or 3% of the member's salary at the time of separation from service for each year of credited service not to exceed 30% of such salary.

The benefit is payable for the spouse's life or until his or her remarriage.

Benefit Payable on Separation from Service

If a member terminates service and elects not to withdraw his contributions and accrued interest from the Fund, he is eligible to receive any of the benefits for which he has sufficient credited service upon reaching an eligible retirement age.

A member terminating service before reaching eligibility for retirement benefits may elect to receive a return of contributions and accrued interest. "Regular Interest" is 4% which is the rate adopted by the Board and applied to the balance in each member's' account every year; however, if a member receives a refund of contributions, the interest rate applied to the refund is lower than the 4% regular rate (Based on Section 36-27-16.3(c)(1)).

Contributions

By Members — Prior to October 1, 2011, each member contributed 6.0% of salary.

Beginning October 1, 2011, each member contributed 8.25% of salary.

Beginning October 1, 2012, each member contributes 8.50% of salary.

If positive investment performance results in a decrease in the total contribution rate paid by employers and employees participating in the System, the Retirement Systems of Alabama shall first reduce the employee contribution rate.

By State — The State makes contributions which, in addition to the members' contributions, are sufficient to carry out the provisions of the Act.

SCHEDULE E

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the valuation are based on the actuarial experience study prepared as of September 30, 2010 and adopted by the Board on January 27, 2012.

Investment Rate of Return: 8% per annum, compounded annually, including inflation at 3%.

Salary Increases: 4% per annum, compounded annually, including wage inflation at 3.25%.

Separations Before Retirement: Representative values of the assumed annual rates of withdrawal, death and disability are as follows:

	Annual Rate of			
	Withdrawal	Death*		Disability**
Age		Male	Female	
30	2.5%	0.0309%	0.0185%	0.040%
35	2.5	0.0538	0.0305	0.080
40	2.5	0.0717	0.0432	0.135
45	2.5	0.0929	0.0672	0.215
50	2.5	0.1221	0.1002	0.325
55	2.5	0.2038	0.1917	0.500
60	2.5	0.3973	0.3775	0.790
64	2.5	0.6847	0.6302	1.140

* Rates of pre-retirement mortality are according to the sex distinct RP-2000 Combined Mortality Table Projected with Scale AA to 2015 set forward one year for females with an adjustment of factor of 0.75% for males and 0.70% for females.
**Disability rates turn off at retirement eligibility.

Rates of Retirement: Before age 70, 30% of members are assumed to retire in the year when first eligible and 10% in each year thereafter. 50% of the remaining members are assumed to retire each year between age 70 and 74, and all remaining members are assumed to retire at age 75.

Deaths After Retirement: Rates of mortality for the period after service retirement are according to the RP-2000 Mortality Table with projection scale AA to 2015 set forward one year for females. The RP-2000 Disabled Mortality Table adjusted for males by a factor of 0.85 is used for the period after disability retirement. Representative values of assumed mortality are as follows:

SCHEDULE E (continued)

Age	Service Retirement Male	Service Retirement Female	Disability Retirement Male	Disability Retirement Female
55	0.2718%	0.2739%	3.0126%	1.6544%
60	0.5297	0.5393	3.5736	2.1839
65	1.0309	1.0161	4.2648	2.8026
70	1.7702	1.7233	5.3196	3.7635
75	3.0622	2.7451	6.9757	5.2230
80	5.5360	4.5702	9.2966	7.2312
85	9.9680	7.8920	12.0363	10.0203
90	17.2706	13.8232	15.5897	14.0049

Percent Married: 85% of active members are assumed to be married with the husband 4 years older than the wife.

Actuarial Method: Individual Entry age normal. Gains and losses are reflected in the unfunded accrued liability.

Assets: Market Value.

Liability for Current Inactive Members: Member Contribution Balance is multiplied by a factor of 3.0.

Post Retirement Increases: Allowances of retired members and spouses who receive benefits based on the salaries prescribed by law for the position are assumed to increase by 3.25% per year. The members' actual salaries at retirement are assumed to be equal to the salary prescribed by law for their position.

For district judges, a factor of 1.5% is applied to the liability for prospective spouses benefits to account for salary increases expected to occur between the member's retirement and death.

Benefits Payable upon Separation from Service: Active members who terminated from service prior to becoming eligible for a benefit are assumed to receive a refund of contributions with interest assumed to be 4% per year.

SCHEDULE F

FUNDING POLICY OF THE JRF BOARD OF CONTROL

The purpose of the funding policy is to state the overall funding objectives for the Judicial Retirement Fund (Fund), the benchmarks that will be used to measure progress in achieving those goals, and the methods and assumptions that will be employed to develop the benchmarks.

The funding policy reflects the Board's long-term strategy for stability in funding of the plan. For that reason, it is critical that this funding policy remain unchanged until its objectives are met.

I. Funding Objectives

The goal in requiring employer and member contributions to the Fund is to accumulate sufficient assets during a member's employment to fully finance the benefits the member is expected to receive throughout retirement. In meeting this objective, the Fund will strive to meet the following funding objectives:

- To maintain an increasing funded ratio (ratio of fund actuarial value of assets to actuarial accrued liabilities) that reflects a trend of improved actuarial condition. The long-term objective is to attain a funded ratio which is consistent with the fiscal health and long-term stability of the Fund.
- To maintain adequate asset levels to finance the benefits promised to members and monitor the future demands for liquidity.
- To develop a pattern of contribution rates expressed as a percentage of member payroll as measured by valuations prepared in accordance with applicable State laws and the principles of practice prescribed by the Actuarial Standards Board. In no event will the employer contribution rate be negative.
- To provide intergenerational equity for taxpayers with respect to Fund costs.

II. Benchmarks

To track progress in achieving the previously outlined funding objectives, the following benchmarks will be measured annually as of the valuation date. The valuation date is the date that the annual actuarial valuation of the Fund's assets and liabilities is prepared. This date is currently September 30th each year with due recognition that a single year's results may not be indicative of long-term trends:

- **Funded ratio** – The funded ratio, defined as the actuarial value of assets divided by the actuarial accrued liability, should increase over time, before adjustments for changes in benefits, actuarial methods, and/or actuarial assumptions. An open amortization period is one for which the amortization period is recalculated on a yearly basis and the ending date of the amortization period is a variable with each recalculation. A closed amortization period is one which is calculated over a fixed period and at the end of that period, the amount is fully amortized.

SCHEDULE F (continued)

- **Unfunded Actuarial Accrued Liability (UAAL)**
  - **Transitional UAAL -** The UAAL established as of the initial valuation date for which this funding policy is adopted shall be known as the Transitional UAAL.
  - **New Incremental UAAL -** Each subsequent valuation will produce a New Incremental UAAL consisting of all benefit changes, assumption and method changes and experience gains and/or losses that have occurred since the previous valuation.
- **UAAL Amortization Period and Contribution Rates**
  - The Transitional UAAL will be amortized over a closed period. The closed period shall be the amortization period for the valuation preceding the adoption of the funding policy not to exceed 30 years.
  - Each New Incremental UAAL shall be amortized over a closed 30 year period.
  - Employer Normal Contribution Rate – the contribution rate determined as of the valuation date each year based on the provisions of Alabama Code Sections 36-27-24 and

    12-18-2.
  - In each valuation subsequent to the adoption of this funding policy the required employer contribution rate will be determined by the summation of the employer Normal Contribution Rate, a contribution rate for administrative expenses, the individual amortization rate for each of the New Incremental UAAL bases, the amortization rate for the Transitional UAAL.

III. Methods and Assumptions

The actuarial funding method used to develop the benchmarks will be the Entry Age Normal (EAN) actuarial cost method. The actuarial methods and assumptions used will be those last adopted by the Board based upon the advice and recommendation of the actuary including the Interest Smoothing methodology. The actuary shall conduct an investigation into the Fund's experience at least every five years and utilize the results of the investigation to form the basis for those recommendations which shall include the Interest Smoothing Methodology.

IV. Funding Policy Progress

The Board will periodically have projections of funded status performed to assess the current and expected future progress towards the overall funding goals of the Fund.