



Cavanaugh Macdonald
CONSULTING, LLC

The experience and dedication you deserve



Retirement Systems
of Alabama

GASB STATEMENT NO. 68 REPORT

FOR THE

TEACHERS' RETIREMENT SYSTEM OF ALABAMA

PREPARED AS OF SEPTEMBER 30, 2014





Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

June 23, 2015

Board of Control
Teachers' Retirement System of Alabama
Montgomery, Alabama

Ladies and Gentlemen:

Presented in this report is information to assist the Teachers' Retirement System of Alabama (TRS) 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 TRS 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



Board of Trustees
June 23, 2015
Page 2

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,

A handwritten signature in blue ink, appearing to read 'Edward Macdonald'.

Edward A. Macdonald, ASA, FCA, MAAA
President

A handwritten signature in blue ink, appearing to read 'Cathy Turcot'.

Cathy Turcot
Principal and Managing Director

A handwritten signature in blue ink, appearing to read 'John J. Garrett'.

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

CT/mjn



TABLE OF CONTENTS

<u>Section</u>	<u>Item</u>	<u>Page No.</u>
I	Introduction	1
II	Summary of Principal Results	3
III	Notes to Financial Statements	4
IV	Pension Expense	8
V	Required Supplementary Information	10
<u>Schedule</u>		
A	Schedule of Employer Allocations	11
B	Schedule of Pension Amounts by Employer	18
C	Schedule of Discount Rate Sensitivity, Amortization of Deferred Outflows/(Inflows) and Employer Contribution	23
D	Summary of Main Plan Provisions	27
E	Statement of Actuarial Assumptions and Methods	31
F	Funding Policy of the TRS Board of Control	35



**REPORT OF THE ANNUAL GASB STATEMENT NO. 68
REQUIRED INFORMATION FOR THE
EMPLOYERS PARTICIPATING IN THE TEACHERS' RETIREMENT SYSTEM OF ALABAMA**

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 Teachers' Retirement System of Alabama (TRS) is a cost-sharing multiple employer defined benefit pension plan.

This report, prepared as of September 30, 2014 (the Measurement Date), presents information to assist the employers participating in TRS 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 TRS 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 Teachers' Retirement System of Alabama Prepared as of September 30, 2014 and submitted March 2, 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 actual contributions made to TRS during the measurement period to determine the proportionate share to each participating employer. Schedule A of this report shows the total amount of employer contributions for the years ending September 30, 2013 and



September 30, 2014 from each participating employer. 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
(\$ IN THOUSANDS)

	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)	\$ 31,338,446
Plan Fiduciary Net Position (FNP)	<u>22,253,818</u>
Net Pension Liability (NPL = TPL – FNP)	\$ 9,084,628
FNP as a percentage of TPL	71.01%
Collective Pension Expense (PE):	\$ 687,176
Deferred Outflows of Resources:	\$ 0
Deferred Inflows of Resources:	\$ 681,134



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	3.50 – 8.25 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 back 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	<u>2.00%</u>	1.50%
Total	<u>100.00%</u>	

*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 (\$ thousands):

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
System's net pension liability	\$12,375,992	\$9,084,628	\$6,294,849

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 TRS submitted on March 2, 2015.

Paragraph 80(g): Please see Section IV of this report for the development of the collective pension expense. The PE for 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 (\$ thousands)	Collective Deferred Inflows of Resources (\$ thousands)
Differences between expected and actual experience	\$0	\$0
Changes of actuarial assumptions	0	0
Net difference between projected and actual earnings on plan investments	<u>0</u>	<u>681,134</u>
Total	<u>\$0</u>	<u>\$ 681,134</u>



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:

Deferred Amounts to be Recognized in Fiscal Years Following the Reporting Date:	
Year 1	\$ (170,283)
Year 2	(170,283)
Year 3	(170,283)
Year 4	(170,285)
Year 5	0
Thereafter	0

Paragraph 80(j): There are no non-employer contributions recognized for the support provided by non-employer contributing entities in TRS.



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 10.30. 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 5.30 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 (\$170,283,000).

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 (\$ thousands)	
Service Cost at end of year	\$ 602,605
Interest on the TPL and net cash flow	2,352,804
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	(480,849)
Projected earnings on plan investments	(1,617,082)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(170,283)
Administrative expense	0
Other	(19)
Recognition of beginning deferred outflows of resources as pension expense	0
Recognition of beginning deferred inflows of resources as pension expense	<u>0</u>
Collective Pension Expense	<u>\$ 687,176</u>



SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

Paragraphs 81(a)-(b): CMC was not required to supply this information.

Paragraph 82:

Changes of benefit terms. The member contribution rates were increased from 5.00% (6.00% for certified law enforcement, correctional officers, and firefighters) of earnable compensation to 7.25% (8.25%) of earnable compensation effective October 1, 2011, and to 7.50% (8.50%) of earnable compensation effective October 1, 2012. Members hired on or after January 1, 2013 are covered under a new benefit structure.

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
Teachers' Retirement System of Alabama
Schedule of Employer Allocations
For the Fiscal Years Ended September 30, 2013 and September 30, 2014
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Alabama A&M University	TAMI	\$ 4,400,917	0.723436%	\$ 5,178,938	0.720962%
Alabama Association of School Boards	TAAB	86,955	0.014294%	105,115	0.014633%
Alabama Education Association	TAEA	628,038	0.103239%	777,058	0.108175%
Alabama Fire College	TAFC	243,239	0.039984%	274,141	0.038163%
Alabama High School Athletic Association	TAAA	89,157	0.014656%	112,669	0.015685%
Alabama Higher Education Partnership	TAHP	22,754	0.003740%	25,073	0.003490%
Alabama Industrial Development Training	TIDT	843,811	0.138708%	1,026,491	0.142898%
Alabama Institute for Deaf and Blind	TAID	3,250,276	0.534290%	3,904,354	0.543527%
Alabama Retired State Employees Association	TREA	37,268	0.006126%	43,173	0.006010%
Alabama School of Fine Arts	THFA	371,033	0.060992%	437,773	0.060943%
Alabama Southern Community College	TMOC	684,260	0.112481%	801,216	0.111538%
Alabama State Employees Association	TASE	86,433	0.014208%	102,540	0.014275%
Alabama State University	TMST	4,758,277	0.782180%	5,819,937	0.810196%
Alabama Technology Network	TATN	488,279	0.080265%	547,086	0.076160%
Alabama Vocational Association	TAVA	4,568	0.000751%	4,993	0.000695%
Alabaster City School System	TALR	3,245,871	0.533566%	3,224,446	0.448877%
Albertville City Board of Education	TALB	1,898,798	0.312130%	2,352,890	0.327547%
Alexander City Board of Education	TALX	1,416,744	0.232889%	1,683,079	0.234302%
Andalusia City Board of Education	TADL	753,410	0.123848%	898,334	0.125057%
Anniston Board of Education	TANN	1,130,488	0.185833%	1,348,022	0.187659%
Arab City Board of Education	TARB	1,137,025	0.186908%	1,402,757	0.195278%
Athens City Board of Education	TATH	1,728,542	0.284143%	2,089,335	0.290857%
Athens State University	TATC	1,576,586	0.259164%	1,779,273	0.247693%
Attalla City Schools	TATT	774,429	0.127303%	944,807	0.131527%
Auburn City Board of Education	TAUB	3,570,798	0.586978%	4,402,356	0.612854%
Auburn University	TAPI	34,532,262	5.676515%	41,361,120	5.757899%
Autauga County Board of Education	TATG	3,942,030	0.648003%	4,657,727	0.648404%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Baldwin County Board of Education	TBLD	13,046,784	2.144669%	16,094,995	2.240591%
Barbour County Schools	TBAR	532,972	0.087611%	611,516	0.085129%
Bessemer Board of Education	TBSM	1,995,749	0.328067%	2,324,963	0.323659%
Bevill State Community College	TWCT	1,631,519	0.268194%	1,878,242	0.261471%
Bibb County Board of Education	TBIB	1,572,703	0.258526%	1,816,352	0.252855%
Birmingham City Schools	TBMH	12,866,112	2.114969%	14,744,182	2.052544%
Bishop State Community College	TMJC	1,469,892	0.241625%	1,692,855	0.235663%
Blount County Board of Education	TBLT	3,505,246	0.576203%	4,154,892	0.578404%
Boaz City Board of Education	TBOZ	1,046,521	0.172030%	1,246,136	0.173475%
Brewton City Board of Education	TBWT	571,461	0.093938%	665,169	0.092598%
Bullock County Board of Education	TBLK	789,684	0.129811%	924,118	0.128647%
Butler County Board of Education	TBLR	1,547,005	0.254301%	1,763,115	0.245444%
Calhoun Community College	TDEC	1,995,684	0.328056%	2,325,201	0.323692%
Calhoun County Board of Education	TCAL	4,254,121	0.699305%	4,994,511	0.695288%
CAPNA, Inc.	TNCA	674,882	0.110939%	1,110,861	0.154643%
Central Alabama Community College	TACC	793,317	0.130408%	864,876	0.120400%
Chambers County Board of Education	TCHB	1,754,271	0.288372%	2,112,689	0.294108%
Chattahoochee Valley Community College	TCVS	524,801	0.086268%	612,898	0.085322%
Cherokee County Board of Education	TCHK	1,936,671	0.318356%	2,290,593	0.318874%
Chickasaw City School System	TCKW	333,137	0.054762%	453,515	0.063134%
Chilton County Board of Education	TCHT	3,188,348	0.524110%	3,765,067	0.524137%
Choctaw County Board of Education	TCHW	801,109	0.131689%	918,150	0.127816%
Clarke County Board of Education	TCLK	1,521,451	0.250101%	1,784,316	0.248395%
Clay County Board of Education	TCLY	909,959	0.149582%	1,087,611	0.151407%
Cleburne County Board of Education	TCLB	1,202,397	0.197654%	1,482,513	0.206381%
Coffee County Board of Education	TCOF	846,576	0.139163%	1,012,016	0.140883%
Colbert County Board of Education	TCOL	1,582,120	0.260074%	1,843,456	0.256628%
Community Svc Programs of West Alabama	TCSP	520,585	0.085575%	576,563	0.080264%
Conecuh County Board of Education	TCON	942,571	0.154943%	1,099,940	0.153123%
Coosa County Board of Education	TCSA	595,148	0.097832%	655,459	0.091247%
Council for Leaders in Alabama Schools	TACA	50,940	0.008374%	60,025	0.008356%
Covington County Board of Education	TCOV	1,449,318	0.238243%	1,709,620	0.237997%
Crenshaw County Board of Education	TCRW	1,029,456	0.169225%	1,211,882	0.168707%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Cullman City Board of Education	TCMN	1,435,542	0.235979%	1,715,223	0.238777%
Cullman County Commission on Education	TCUL	4,435,449	0.729112%	5,322,055	0.740886%
Dale County Board of Education	TDAL	1,310,173	0.215370%	1,575,151	0.219277%
Daleville City Board of Education	TDLV	550,583	0.090506%	656,010	0.091323%
Dallas County Board of Education	TDLS	1,864,338	0.306465%	2,165,656	0.301482%
Dauphin Island Sea Lab	TMES	399,534	0.065677%	481,812	0.067073%
Decatur Board of Education	TDTR	4,826,353	0.793370%	5,643,870	0.785686%
Dekalb County Board of Education	TDKB	3,932,771	0.646481%	4,702,261	0.654604%
Demopolis City Schools	TDPL	995,885	0.163707%	1,194,024	0.166221%
Developing Alabama Youth Foundation	TDAY	37,370	0.006143%	56,857	0.007915%
Dothan Board of Education	TDTN	4,239,405	0.696886%	5,099,385	0.709888%
Elba City Board of Education	TELB	383,051	0.062967%	430,729	0.059962%
Elmore County Board of Education	TELM	4,707,418	0.773819%	5,592,092	0.778478%
Enterprise Board of Education	TENP	2,894,450	0.475798%	3,505,003	0.487933%
Enterprise Ozark Community College	TEPC	965,286	0.158677%	1,027,712	0.143068%
Escambia County Board of Education	TESC	2,219,461	0.364842%	2,617,640	0.364403%
Etowah County Board of Ed	TETH	3,998,570	0.657297%	4,725,531	0.657843%
Etowah County Community Service Program, Inc.	TECA	20,518	0.003373%	23,647	0.003292%
Eufaula City Board of Education	TEFL	1,299,502	0.213616%	1,552,685	0.216150%
Fairfield Board of Education	TFRF	860,620	0.141471%	1,007,475	0.140251%
Faulkner State Community College	TBMC	1,063,572	0.174833%	1,266,602	0.176324%
Fayette County Board of Education	TFAY	1,160,627	0.190787%	1,380,472	0.192176%
Florence City Board of Education	TFLO	2,385,093	0.392069%	2,745,847	0.382250%
Fort Payne City Board of Education	TFTP	1,300,966	0.213857%	1,560,064	0.217177%
Franklin County Board of Education	TFRK	1,586,115	0.260730%	1,908,066	0.265623%
Gadsden City Board of Education	TGDS	2,566,004	0.421807%	3,086,243	0.429637%
Gadsden State Community College	TGDC	2,352,492	0.386710%	2,662,278	0.370617%
Gardendale Board of Education	TGBE	0	0.000000%	47,794	0.006653%
Geneva City Board of Education	TGCB	581,359	0.095565%	699,502	0.097378%
Geneva County Board of Education	TGEN	1,130,107	0.185770%	1,382,410	0.192446%
George Corley Wallace State Community College	TGWS	823,003	0.135288%	993,590	0.138318%
Greene County Board of Education	TGRN	689,585	0.113356%	794,516	0.110605%
Guntersville City Board of Education	TGUN	935,831	0.153835%	1,115,036	0.155225%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
H. Councill Trenholm State Technical College	TMGT	858,245	0.141081%	961,058	0.133789%
Hale County Board of Education	THAL	1,294,608	0.212811%	1,530,200	0.213020%
Haleyville City Board of Education	THAV	811,712	0.133432%	953,601	0.132751%
Hartselle City Board of Education	THCS	1,472,537	0.242060%	1,789,780	0.249156%
Henry County Board of Education	THNY	1,147,205	0.188581%	1,357,732	0.189010%
Homewood City Board of Education	THOM	2,565,092	0.421657%	3,079,539	0.428704%
Hoover City Board of Education	THOV	7,978,495	1.311529%	9,546,149	1.328923%
Houston County Board of Education	THST	2,661,551	0.437514%	3,173,981	0.441851%
Huntsville City Schools	THTS	11,380,465	1.870754%	13,392,950	1.864438%
J. F. Drake State Technical College	THVS	453,714	0.074583%	550,382	0.076619%
J. F. Ingram State Technical College	TDRT	745,067	0.122476%	928,213	0.129217%
Jackson County Board of Education	TJKS	2,878,694	0.473208%	3,407,795	0.474401%
Jacksonville City Board of Education	TJCS	701,280	0.115278%	837,042	0.116525%
Jacksonville State University	TJST	4,458,689	0.732932%	5,262,096	0.732539%
Jasper City Board of Education	TJSP	1,438,112	0.236401%	1,684,405	0.234487%
Jeff Davis Community College	TBRC	509,450	0.083745%	537,176	0.074780%
Jefferson County American Federation of Teachers	TJFT	16,660	0.002739%	24,501	0.003411%
Jefferson County Board of Education	TJEF	17,671,151	2.904836%	20,870,809	2.905434%
Jefferson State Community College	TJJC	2,018,128	0.331746%	2,339,277	0.325652%
Lamar County Schools	TLAM	1,035,358	0.170195%	1,229,380	0.171143%
Lanett City Schools	TLNT	410,320	0.067450%	504,983	0.070299%
Lauderdale County Board of Ed	TLAU	3,762,279	0.618455%	4,461,979	0.621154%
Law Enforcement Academy--Baldwin County	TSWP	4,291	0.000705%	13,674	0.001904%
Law Enforcement Academy--Tuscaloosa	TLET	22,717	0.003734%	15,361	0.002138%
Lawrence County Board of Education	TLAW	2,438,444	0.400839%	2,895,189	0.403040%
Lawson State College	TLSC	1,354,894	0.222721%	1,496,632	0.208347%
Lee County Board of Education	TLEE	4,499,961	0.739717%	5,454,302	0.759296%
Leeds Board of Education, City of	TLDS	779,265	0.128098%	980,244	0.136460%
Limestone County Board of Education	TLST	3,979,303	0.654130%	4,801,743	0.668453%
Linden City Board of Education	TLND	257,358	0.042305%	307,913	0.042865%
Lowndes County Board of Education	TLDN	1,202,496	0.197670%	1,298,946	0.180827%
Lurleen B. Wallace Community College	TLUR	746,317	0.122682%	860,485	0.119788%
Macon County Board of Education	TMAC	1,255,609	0.206401%	1,442,983	0.200878%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Madison City Board of Education	TMDC	4,360,907	0.716859%	5,221,424	0.726877%
Madison County Board of Education	TMAD	9,173,463	1.507961%	10,835,483	1.508412%
Marengo County Board of Education	TMNG	694,864	0.114224%	745,734	0.103814%
Marion County Board of Education	TMAR	1,603,636	0.263611%	1,842,370	0.256477%
Marion Military Institute	TMMI	426,574	0.070122%	524,070	0.072956%
Marshall County Board of Education	TMSH	2,759,366	0.453593%	3,230,025	0.449653%
Midfield City Board of Education	TMID	581,198	0.095539%	659,414	0.091797%
Mobile School Commissioners	TMOB	27,092,505	4.453546%	31,847,060	4.433443%
Monroe County Board of Education	TMON	1,704,056	0.280118%	1,985,448	0.276395%
Montgomery City and County Board of Education	TMTG	14,251,964	2.342780%	16,731,334	2.329176%
Morgan County Board of Education	TMOR	3,728,885	0.612965%	4,448,088	0.619220%
Mountain Brook City Board of Education	TMTB	2,986,904	0.490996%	3,555,837	0.495010%
Muscle Shoals City Schools	TMSC	1,348,344	0.221645%	1,642,050	0.228591%
Northeast Alabama Community College	TNEC	786,530	0.129292%	947,317	0.131876%
Northwest Shoals Community College	TNWC	1,237,464	0.203418%	1,467,825	0.204337%
Oneonta City Board of Education	TONE	613,027	0.100771%	715,073	0.099546%
Opelika City Board of Education	TOPK	2,261,435	0.371741%	2,665,175	0.371020%
Opp City Board of Education	TOPP	602,080	0.098972%	722,691	0.100606%
Organized Community Action Program Inc	TOCA	317,638	0.052214%	385,893	0.053720%
Oxford City Schools	TOXF	2,015,103	0.331249%	2,399,183	0.333991%
Ozark City Board of Education	TOZK	1,127,061	0.185270%	1,353,363	0.188402%
Pelham City Board of Education	TPLS	0	0.000000%	1,771,840	0.246659%
Pell City School System	TPEL	1,848,137	0.303802%	2,193,315	0.305332%
Perry County Board of Education	TPRY	882,390	0.145050%	1,008,390	0.140378%
Phenix City Board of Education	TPHC	3,002,576	0.493572%	3,618,042	0.503669%
Pickens County Board of Education	TPKS	1,342,362	0.220661%	1,523,345	0.212065%
Piedmont City Schools	TPMT	524,205	0.086170%	643,800	0.089624%
Pike County Board of Education	TPIK	1,128,646	0.185530%	1,323,823	0.184290%
Pike Road City Schools	TPRB	0	0.000000%	19,173	0.002669%
Randolph County Board of Education	TRAN	1,057,170	0.173781%	1,228,552	0.171027%
Reid State Technical College	TEVN	384,178	0.063152%	468,886	0.065274%
Roanoke City Schools	TROK	637,036	0.104718%	762,927	0.106207%
Russell County Board of Education	TRUS	1,525,178	0.250713%	1,845,600	0.256927%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Russellville City Board of Education	TRSV	1,193,416	0.196177%	1,440,316	0.200507%
Saraland Board of Education	TSAR	931,148	0.153065%	1,250,654	0.174104%
Satsuma City Schools	TSTM	490,330	0.080602%	629,364	0.087614%
School Superintendents of Alabama	TSAL	21,971	0.003612%	28,001	0.003898%
Scottsboro Board of Education	TSCO	1,312,971	0.215830%	1,561,873	0.217429%
Selma Public Schools	TSMA	1,758,865	0.289127%	2,059,990	0.286772%
Sheffield City Board of Education	TSHF	629,828	0.103533%	737,296	0.102639%
Shelby County Board of Education	TSBY	13,446,493	2.210374%	13,405,761	1.866222%
Shelton State Community College	TTVS	1,699,651	0.279394%	1,967,328	0.273873%
Snead State Community College	TSJC	607,872	0.099924%	716,179	0.099700%
Southern Union State Community College	TSUC	1,225,120	0.201389%	1,414,264	0.196880%
Special Programming for Achievement Network	TBSC	206,263	0.033906%	229,233	0.031912%
St. Clair County Board of Education	TSTC	3,731,171	0.613341%	4,531,452	0.630825%
State of Alabama--Commission on Higher Education	TCHE	173,264	0.028482%	232,302	0.032339%
State of Alabama--Department of Rehab Services	TDRS	3,464,376	0.569484%	4,399,436	0.612447%
State of Alabama--Department of Post-Secondary Ed	TPSE	443,533	0.072909%	467,111	0.065027%
State of Alabama--Department of Youth Services	TDYS	1,953,994	0.321203%	2,218,052	0.308776%
State of Alabama--High School of Math & Science	THMS	221,434	0.036400%	296,792	0.041317%
State of Alabama--State Board of Education	TSBE	4,233,657	0.695941%	5,504,578	0.766295%
State of Alabama--Teachers Retirement System	TTRS	1,143,922	0.188041%	1,509,770	0.210176%
Sumter County Board of Education	TSUM	985,082	0.161931%	1,096,718	0.152675%
Sylacauga City Board of Education	TSYL	1,131,684	0.186029%	1,345,697	0.187335%
Talladega City Board of Education	TTAL	1,119,163	0.183971%	1,305,254	0.181705%
Talladega County Board of Education	TTDG	3,568,661	0.586627%	4,202,877	0.585084%
Tallapoosa County Board of Education	TTPS	1,375,254	0.226068%	1,647,353	0.229329%
Tallassee City Board of Education	TTAS	826,873	0.135924%	995,557	0.138592%
Tarrant Board of Education	TTAR	606,408	0.099683%	690,720	0.096155%
Thomasville City Schools	TTOM	663,264	0.109029%	789,580	0.109918%
Troy City Board of Education	TTRY	1,058,912	0.174067%	1,215,456	0.169204%
Troy University	TTST	8,958,218	1.472578%	10,387,765	1.446085%
Trussville City Board of Education	TTCB	2,071,830	0.340574%	2,487,627	0.346304%
Tuscaloosa City Schools	TTUS	5,466,650	0.898624%	6,557,022	0.912806%
Tuscaloosa County Schools	TTLS	7,470,436	1.228012%	9,051,824	1.260108%



SCHEDULE A (continued)

Employer	Employer Code	2013 Actual Employer Contributions	2013 Employer Allocation Percentage	2014 Actual Employer Contributions	2014 Employer Allocation Percentage
Tuscumbia City Board of Education	TTSC	701,224	0.115269%	835,776	0.116349%
University Chancellor's Office	TUCO	893,057	0.146803%	1,021,694	0.142230%
University of Alabama	TUVA	30,626,549	5.034483%	37,328,071	5.196456%
University of Alabama--Birmingham	TUMC	76,511,241	12.577144%	87,554,601	12.188513%
University of Alabama--Huntsville	TUAH	9,308,979	1.530237%	11,564,159	1.609851%
University of Montevallo	TALC	2,244,249	0.368916%	2,734,321	0.380646%
University of North Alabama	TFST	3,712,607	0.610289%	4,446,052	0.618937%
University of South Alabama	TUSA	21,229,521	3.489771%	23,865,659	3.322348%
University of West Alabama	TLVC	1,945,530	0.319812%	2,478,278	0.345002%
Vestavia Hills Board of Education	TVES	3,771,046	0.619896%	4,612,073	0.642049%
Walker County Board of Education	TWLK	3,852,761	0.633328%	4,540,647	0.632105%
Wallace Community College--Dothan	TGWD	1,481,407	0.243518%	1,773,367	0.246871%
Wallace State College--Hanceville	TCUT	1,582,284	0.260101%	1,857,483	0.258581%
Washington County Board of Education	TWSH	1,463,880	0.240637%	1,673,809	0.233012%
Wilcox County Board of Education	TWIL	979,146	0.160955%	1,152,379	0.160423%
Winfield City Board of Education	TWFD	570,940	0.093853%	688,583	0.095858%
Winston Education Board	TWIN	<u>1,319,299</u>	<u>0.216870%</u>	<u>1,583,585</u>	<u>0.220452%</u>
	Total	\$ <u>608,335,574</u>	<u>100.000000%</u>	\$ <u>718,337,027</u>	<u>100.000000%</u>



SCHEDULE B

**Teachers' Retirement System of Alabama
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
(Dollar Amounts in Thousands)**

Employer	Employer Code	2013 Net Pension Liability	2014 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense				
				Differences Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Proportionate and Contributions	Total Employer Pension Expense	
Alabama A&M University	TAMI	\$ 70,862	\$ 65,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,911	\$ -	\$ -	\$ 187	\$ 5,098	\$ 4,954	\$ (43)	\$ 4,911
Alabama Association of School Boards	TAAB	1,400	1,329	-	-	27	27	-	100	-	-	-	100	101	6	107
Alabama Education Association	TAEA	10,113	9,827	-	-	393	393	-	737	-	-	737	743	92	835	
Alabama Fire College	T AFC	3,917	3,467	-	-	-	-	-	260	-	145	405	263	(34)	229	
Alabama High School Athletic Association	TAAA	1,436	1,425	-	-	82	82	-	107	-	-	107	108	19	127	
Alabama Higher Education Partnership	TAHP	366	317	-	-	-	-	-	24	-	19	43	24	(5)	19	
Alabama Industrial Development Training	TIDT	13,587	12,982	-	-	334	334	-	973	-	-	973	982	78	1,060	
Alabama Institute for Deaf and Blind	TAID	52,335	49,377	-	-	741	741	-	3,702	-	-	3,702	3,735	172	3,907	
Alabama Retired State Employees Association	TREA	600	546	-	-	-	-	-	41	-	9	50	41	(2)	39	
Alabama School of Fine Arts	THFA	5,974	5,536	-	-	-	-	-	415	-	2	417	418	(1)	417	
Alabama Southern Community College	TMOC	11,018	10,133	-	-	-	-	-	760	-	74	834	767	(17)	750	
Alabama State Employees Association	TASE	1,392	1,297	-	-	6	6	-	97	-	-	97	98	1	99	
Alabama State University	TMST	76,616	73,603	-	-	2,238	2,238	-	5,519	-	-	5,519	5,568	520	6,088	
Alabama Technology Network	TATN	7,862	6,919	-	-	-	-	-	519	-	325	844	524	(76)	448	
Alabama Vocational Association	TAVA	74	63	-	-	-	-	-	5	-	5	10	5	(1)	4	
Alabaster City School System	TALR	52,264	40,779	-	-	-	-	-	3,057	-	6,724	9,781	3,084	(1,564)	1,520	
Albertville City Board of Education	TALB	30,574	29,756	-	-	1,229	1,229	-	2,231	-	-	2,231	2,251	286	2,537	
Alexander City Board of Education	TALX	22,812	21,285	-	-	115	115	-	1,596	-	-	1,596	1,610	27	1,637	
Andalusia City Board of Education	TADL	12,131	11,361	-	-	98	98	-	852	-	-	852	859	23	882	
Anniston Board of Education	TANN	18,203	17,048	-	-	148	148	-	1,278	-	-	1,278	1,289	34	1,323	
Arab City Board of Education	TARB	18,308	17,740	-	-	668	668	-	1,330	-	-	1,330	1,342	155	1,497	
Athens City Board of Education	TATH	27,832	26,423	-	-	537	537	-	1,981	-	-	1,981	1,999	125	2,124	
Athens State University	TATC	25,386	22,502	-	-	-	-	-	1,687	-	909	2,596	1,702	(211)	1,491	
Attalla City Schools	TATT	12,470	11,949	-	-	337	337	-	896	-	-	896	905	78	983	
Auburn City Board of Education	TAUB	57,496	55,675	-	-	2,065	2,065	-	4,174	-	-	4,174	4,210	480	4,690	
Auburn University	TAPI	556,028	523,080	-	-	6,543	6,543	-	39,219	-	-	39,219	39,567	1,522	41,089	
Autauga County Board of Education	TATG	63,473	58,905	-	-	41	41	-	4,417	-	-	4,417	4,456	10	4,466	
Baldwin County Board of Education	TBLD	210,075	203,548	-	-	7,652	7,652	-	15,261	-	-	15,261	15,397	1,780	17,177	
Barbour County Schools	TBAR	8,582	7,734	-	-	-	-	-	580	-	196	776	585	(45)	540	
Bessemer Board of Education	TBSM	32,135	29,403	-	-	-	-	-	2,205	-	346	2,551	2,225	(81)	2,144	
Bevill State Community College	TWCT	26,270	23,754	-	-	-	-	-	1,781	-	531	2,312	1,797	(123)	1,674	
Bibb County Board of Education	TBIB	25,323	22,971	-	-	-	-	-	1,722	-	447	2,169	1,737	(104)	1,633	
Birmingham City Schools	TBMH	207,166	186,465	-	-	-	-	-	13,981	-	4,934	18,915	14,105	(1,147)	12,958	
Bishop State Community College	TMJC	23,668	21,409	-	-	-	-	-	1,605	-	471	2,076	1,619	(109)	1,510	
Blount County Board of Education	TBLT	56,440	52,545	-	-	183	183	-	3,940	-	-	3,940	3,975	42	4,017	
Boaz City Board of Education	TBOZ	16,851	15,759	-	-	117	117	-	1,182	-	-	1,182	1,192	27	1,219	
Brewton City Board of Education	TBWT	9,201	8,412	-	-	-	-	-	631	-	105	736	637	(25)	612	
Bullock County Board of Education	TBLK	12,715	11,687	-	-	-	-	-	876	-	91	967	884	(21)	863	
Butler County Board of Education	TBLR	24,909	22,298	-	-	-	-	-	1,672	-	700	2,372	1,687	(163)	1,524	



SCHEDULE B (continued)

Employer	Employer Code	2013 Net Pension Liability	2014 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
				Differences 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 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
Calhoun Community College	TDEC	32,134	29,406	-	-	-	-	-	2,205	-	343	2,548	2,225	(80)	2,145
Calhoun County Board of Education	TCAL	68,499	63,164	-	-	-	-	-	4,736	-	310	5,046	4,778	(72)	4,706
CAPNA, Inc.	TNCA	10,867	14,049	-	-	3,476	3,476	-	1,053	-	-	1,053	1,062	808	1,870
Central Alabama Community College	TACC	12,774	10,938	-	-	-	-	-	820	-	794	1,614	828	(185)	643
Chambers County Board of Education	TCHB	28,247	26,718	-	-	460	460	-	2,003	-	-	2,003	2,020	107	2,127
Chattahoochee Valley Community College	TCVS	8,450	7,751	-	-	-	-	-	581	-	75	656	587	(17)	570
Cherokee County Board of Education	TCHK	31,184	28,968	-	-	45	45	-	2,172	-	-	2,172	2,191	11	2,202
Chickasaw City School System	TCKW	5,364	5,735	-	-	667	667	-	430	-	-	430	433	155	588
Chilton County Board of Education	TCHT	51,338	47,616	-	-	8	8	-	3,570	-	-	3,570	3,603	2	3,605
Choctaw County Board of Education	TCHW	12,899	11,612	-	-	-	-	-	871	-	306	1,177	879	(71)	808
Clarke County Board of Education	TCLK	24,498	22,566	-	-	-	-	-	1,692	-	132	1,824	1,707	(31)	1,676
Clay County Board of Education	TCLY	14,652	13,755	-	-	148	148	-	1,031	-	-	1,031	1,040	34	1,074
Cleburne County Board of Education	TCLB	19,361	18,749	-	-	697	697	-	1,406	-	-	1,406	1,418	162	1,580
Coffee County Board of Education	TCOF	13,631	12,799	-	-	139	139	-	960	-	-	960	969	32	1,001
Colbert County Board of Education	TCOL	25,475	23,314	-	-	-	-	-	1,748	-	271	2,019	1,764	(63)	1,701
Community Svc Programs of West Alabama	TCSP	8,382	7,292	-	-	-	-	-	547	-	420	967	552	(98)	454
Conecuh County Board of Education	TCON	15,177	13,911	-	-	-	-	-	1,043	-	142	1,185	1,052	(33)	1,019
Coosa County Board of Education	TCSA	9,583	8,289	-	-	-	-	-	622	-	522	1,144	627	(122)	505
Council for Leaders in Alabama Schools	TACA	820	759	-	-	-	-	-	57	-	2	59	58	-	58
Covington County Board of Education	TCOV	23,336	21,621	-	-	-	-	-	1,621	-	16	1,637	1,636	(4)	1,632
Crenshaw County Board of Education	TCRW	16,576	15,326	-	-	-	-	-	1,149	-	39	1,188	1,159	(9)	1,150
Cullman City Board of Education	TCMN	23,115	21,692	-	-	226	226	-	1,626	-	-	1,626	1,640	52	1,692
Cullman County Commission on Education	TCUL	71,418	67,306	-	-	946	946	-	5,046	-	-	5,046	5,090	220	5,310
Dale County Board of Education	TDAL	21,096	19,920	-	-	313	313	-	1,494	-	-	1,494	1,507	73	1,580
Daleville City Board of Education	TDLV	8,865	8,296	-	-	66	66	-	622	-	-	622	628	15	643
Dallas County Board of Education	TDLS	30,019	27,388	-	-	-	-	-	2,053	-	392	2,445	2,071	(91)	1,980
Dauphin Island Sea Lab	TMES	6,433	6,093	-	-	112	112	-	457	-	-	457	461	26	487
Decatur Board of Education	TDTR	77,712	71,376	-	-	-	-	-	5,352	-	600	5,952	5,399	(139)	5,260
Dekalb County Board of Education	TDKB	63,324	59,468	-	-	654	654	-	4,459	-	-	4,459	4,499	152	4,651
Demopolis City Schools	TDPL	16,035	15,100	-	-	203	203	-	1,132	-	-	1,132	1,141	47	1,188
Developing Alabama Youth Foundation	TDAY	602	719	-	-	140	140	-	54	-	-	54	55	33	88
Dothan Board of Education	TDTN	68,262	64,490	-	-	1,042	1,042	-	4,835	-	-	4,835	4,878	242	5,120
Elba City Board of Education	TELB	6,168	5,447	-	-	-	-	-	408	-	239	647	412	(55)	357
Elmore County Board of Education	TELM	75,797	70,721	-	-	381	381	-	5,302	-	-	5,302	5,348	89	5,437
Enterprise Board of Education	TENP	46,606	44,327	-	-	970	970	-	3,323	-	-	3,323	3,353	226	3,579
Enterprise Ozark Community College	TEPC	15,543	12,997	-	-	-	-	-	974	-	1,238	2,212	982	(288)	694
Escambia County Board of Education	TESC	35,737	33,104	-	-	-	-	-	2,482	-	30	2,512	2,504	(7)	2,497
Etowah County Board of Ed	TETH	64,384	59,762	-	-	52	52	-	4,481	-	-	4,481	4,521	12	4,533
Etowah County Community Service Program, Inc.	TECA	330	299	-	-	-	-	-	22	-	6	28	23	(2)	21
Eufaula City Board of Education	TEFL	20,924	19,636	-	-	204	204	-	1,472	-	-	1,472	1,485	48	1,533
Fairfield Board of Education	TFRF	13,857	12,741	-	-	-	-	-	955	-	95	1,050	963	(22)	941
Faulkner State Community College	TBMC	17,125	16,018	-	-	121	121	-	1,201	-	-	1,201	1,212	28	1,240
Fayette County Board of Education	TFAY	18,688	17,458	-	-	113	113	-	1,309	-	-	1,309	1,320	26	1,346
Florence City Board of Education	TFLO	38,404	34,726	-	-	-	-	-	2,604	-	776	3,380	2,628	(180)	2,448
Fort Payne City Board of Education	TFTP	20,948	19,730	-	-	266	266	-	1,479	-	-	1,479	1,493	62	1,555
Franklin County Board of Education	TFRK	25,539	24,131	-	-	392	392	-	1,809	-	-	1,809	1,826	91	1,917
Gadsden City Board of Education	TGDS	41,317	39,031	-	-	628	628	-	2,926	-	-	2,926	2,952	146	3,098
Gadsden State Community College	TGDC	37,879	33,669	-	-	-	-	-	2,524	-	1,274	3,798	2,546	(296)	2,250



SCHEDULE B (continued)

Employer	Employer Code	2013 Net Pension Liability	2014 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
				Differences 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 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
Gardendale Board of Education	TGBE	0	604	-	-	493	493	-	45	-	-	45	45	115	160
Geneva City Board of Education	TGCB	9,361	8,846	-	-	145	145	-	663	-	-	663	669	34	703
Geneva County Board of Education	TGEN	18,197	17,483	-	-	533	533	-	1,311	-	-	1,311	1,322	124	1,446
George Corley Wallace State Community College	TGWS	13,252	12,566	-	-	243	243	-	942	-	-	942	950	57	1,007
Greene County Board of Education	TGRN	11,103	10,048	-	-	-	-	-	753	-	217	970	760	(50)	710
Guntersville City Board of Education	TGUN	15,069	14,102	-	-	112	112	-	1,057	-	-	1,057	1,067	26	1,093
H. Council Trenholm State Technical College	TMGT	13,819	12,154	-	-	-	-	-	911	-	578	1,489	919	(134)	785
Hale County Board of Education	THAL	20,845	19,352	-	-	19	19	-	1,451	-	-	1,451	1,464	5	1,469
Haleyville City Board of Education	THAV	13,070	12,060	-	-	-	-	-	904	-	52	956	912	(12)	900
Hartselle City Board of Education	THCS	23,710	22,635	-	-	567	567	-	1,697	-	-	1,697	1,713	132	1,845
Henry County Board of Education	THNY	18,472	17,171	-	-	37	37	-	1,287	-	-	1,287	1,299	8	1,307
Homewood City Board of Education	THOM	41,302	38,946	-	-	566	566	-	2,920	-	-	2,920	2,946	132	3,078
Hoover City Board of Education	THOV	128,467	120,727	-	-	1,400	1,400	-	9,052	-	-	9,052	9,133	325	9,458
Houston County Board of Education	THST	42,856	40,140	-	-	350	350	-	3,010	-	-	3,010	3,037	81	3,118
Huntsville City Schools	THTS	183,245	169,376	-	-	-	-	-	12,699	-	478	13,177	12,812	(111)	12,701
J. F. Drake State Technical College	THVS	7,306	6,961	-	-	162	162	-	522	-	-	522	527	38	565
J. F. Ingram State Technical College	TDRT	11,997	11,739	-	-	537	537	-	880	-	-	880	888	125	1,013
Jackson County Board of Education	TJKS	46,352	43,097	-	-	101	101	-	3,231	-	-	3,231	3,259	24	3,283
Jacksonville City Board of Education	TJCS	11,292	10,586	-	-	101	101	-	794	-	-	794	801	23	824
Jacksonville State University	TJST	71,792	66,548	-	-	-	-	-	4,990	-	21	5,011	5,034	(5)	5,029
Jasper City Board of Education	TJSP	23,156	21,302	-	-	-	-	-	1,597	-	149	1,746	1,611	(35)	1,576
Jeff Davis Community College	TBRC	8,203	6,793	-	-	-	-	-	509	-	712	1,221	513	(165)	348
Jefferson County American Federation of Teachers	TJFT	268	310	-	-	54	54	-	23	-	-	23	23	13	36
Jefferson County Board of Education	TJEF	284,536	263,946	-	-	85	85	-	19,790	-	-	19,790	19,966	20	19,986
Jefferson State Community College	TJJC	32,495	29,584	-	-	-	-	-	2,218	-	480	2,698	2,238	(112)	2,126
Lamar County Schools	TLAM	16,671	15,548	-	-	77	77	-	1,166	-	-	1,166	1,177	18	1,195
Lanett City Schools	TLNT	6,607	6,386	-	-	227	227	-	479	-	-	479	483	53	536
Lauderdale County Board of Ed	TLAU	60,579	56,429	-	-	223	223	-	4,231	-	-	4,231	4,268	52	4,320
Law Enforcement Academy--Baldwin County	TSWP	69	173	-	-	96	96	-	13	-	-	13	13	22	35
Law Enforcement Academy--Tuscaloosa	TLET	366	194	-	-	-	-	-	15	-	127	142	15	(30)	(15)
Lawrence County Board of Education	TLAW	39,263	36,614	-	-	180	180	-	2,745	-	-	2,745	2,769	42	2,811
Lawson State College	TLSC	21,816	18,927	-	-	-	-	-	1,419	-	1,139	2,558	1,431	(265)	1,166
Lee County Board of Education	TLEE	72,457	68,979	-	-	1,566	1,566	-	5,172	-	-	5,172	5,218	364	5,582
Leeds Board of Education, City of	TLDS	12,548	12,397	-	-	666	666	-	929	-	-	929	937	155	1,092
Limestone County Board of Education	TLST	64,074	60,726	-	-	1,147	1,147	-	4,553	-	-	4,553	4,593	267	4,860
Linden City Board of Education	TLND	4,144	3,894	-	-	45	45	-	292	-	-	292	294	11	305
Lowndes County Board of Education	TLDN	19,362	16,427	-	-	-	-	-	1,232	-	1,336	2,568	1,243	(311)	932
Lurleen B. Wallace Community College	TLUR	12,017	10,882	-	-	-	-	-	816	-	229	1,045	823	(53)	770
Macon County Board of Education	TMAC	20,217	18,249	-	-	-	-	-	1,368	-	436	1,804	1,381	(102)	1,279
Madison City Board of Education	TMDC	70,218	66,034	-	-	805	805	-	4,951	-	-	4,951	4,996	187	5,183
Madison County Board of Education	TMAD	147,708	137,033	-	-	56	56	-	10,274	-	-	10,274	10,365	13	10,378
Marengo County Board of Education	TMNG	11,189	9,431	-	-	-	-	-	707	-	826	1,533	713	(192)	521
Marion County Board of Education	TMAR	25,821	23,300	-	-	-	-	-	1,747	-	563	2,310	1,762	(131)	1,631
Marion Military Institute	TMMI	6,869	6,628	-	-	226	226	-	497	-	-	497	502	52	554
Marshall County Board of Education	TMSH	44,431	40,849	-	-	-	-	-	3,063	-	307	3,370	3,090	(72)	3,018
Midfield City Board of Education	TMID	9,358	8,339	-	-	-	-	-	625	-	296	921	630	(69)	561
Mobile School Commissioners	TMOB	436,235	402,759	-	-	-	-	-	30,198	-	1,539	31,737	30,466	(358)	30,108
Monroe County Board of Education	TMON	27,438	25,109	-	-	-	-	-	1,883	-	292	2,175	1,899	(68)	1,831



SCHEDULE B (continued)

Employer	Employer Code	2013 Net Pension Liability	2014 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
				Differences 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 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
Montgomery City and County Board of Education	TMTG	229,481	211,595	-	-	-	-	-	15,865	-	1,051	16,916	16,006	(245)	15,761
Morgan County Board of Education	TMOR	60,041	56,253	-	-	505	505	-	4,218	-	-	4,218	4,255	118	4,373
Mountain Brook City Board of Education	TMTB	48,094	44,970	-	-	325	325	-	3,372	-	-	3,372	3,403	76	3,479
Muscle Shoals City Schools	TMSC	21,711	20,766	-	-	555	555	-	1,557	-	-	1,557	1,570	129	1,699
Northeast Alabama Community College	TNEC	12,664	11,980	-	-	208	208	-	898	-	-	898	905	48	953
Northwest Shoals Community College	TNWC	19,925	18,563	-	-	75	75	-	1,392	-	-	1,392	1,405	18	1,423
Oneonta City Board of Education	TONE	9,871	9,043	-	-	-	-	-	678	-	96	774	683	(22)	661
Opelika City Board of Education	TOPK	36,413	33,706	-	-	-	-	-	2,527	-	53	2,580	2,550	(12)	2,538
Opp City Board of Education	TOPP	9,695	9,140	-	-	131	131	-	685	-	-	685	691	31	722
Organized Community Action Program Inc	TOCA	5,114	4,880	-	-	121	121	-	366	-	-	366	369	28	397
Oxford City Schools	TOXF	32,447	30,342	-	-	221	221	-	2,275	-	-	2,275	2,296	52	2,348
Ozark City Board of Education	TOZK	18,148	17,116	-	-	251	251	-	1,283	-	-	1,283	1,295	58	1,353
Pelham City Board of Education	TPLS	0	22,408	-	-	18,337	18,337	-	1,680	-	-	1,680	1,695	4,264	5,959
Pell City School System	TPEL	29,758	27,738	-	-	126	126	-	2,080	-	-	2,080	2,098	29	2,127
Perry County Board of Education	TPRY	14,208	12,753	-	-	-	-	-	956	-	370	1,326	965	(86)	879
Phenix City Board of Education	TPHC	48,347	45,756	-	-	809	809	-	3,431	-	-	3,431	3,461	188	3,649
Pickens County Board of Education	TPKS	21,614	19,265	-	-	-	-	-	1,444	-	681	2,125	1,457	(158)	1,299
Piedmont City Schools	TPMT	8,441	8,142	-	-	276	276	-	610	-	-	610	615	64	679
Pike County Board of Education	TPIK	18,173	16,742	-	-	-	-	-	1,255	-	96	1,351	1,266	(22)	1,244
Pike Road City Schools	TPRB	0	242	-	-	200	200	-	18	-	-	18	18	47	65
Randolph County Board of Education	TRAN	17,022	15,537	-	-	-	-	-	1,165	-	217	1,382	1,176	(50)	1,126
Reid State Technical College	TEVN	6,186	5,930	-	-	170	170	-	445	-	-	445	449	39	488
Roanoke City Schools	TROK	10,257	9,648	-	-	120	120	-	723	-	-	723	729	28	757
Russell County Board of Education	TRUS	24,558	23,341	-	-	498	498	-	1,750	-	-	1,750	1,765	116	1,881
Russellville City Board of Education	TRSV	19,216	18,215	-	-	346	346	-	1,366	-	-	1,366	1,378	81	1,459
Saraland Board of Education	TSAR	14,993	15,817	-	-	1,675	1,675	-	1,186	-	-	1,186	1,197	389	1,586
Satsuma City Schools	TSTM	7,895	7,959	-	-	558	558	-	597	-	-	597	602	130	732
School Superintendents of Alabama	TSAL	354	354	-	-	23	23	-	27	-	-	27	27	5	32
Scottsboro Board of Education	TSCO	21,141	19,752	-	-	131	131	-	1,481	-	-	1,481	1,493	30	1,523
Selma Public Schools	TSMA	28,321	26,052	-	-	-	-	-	1,953	-	183	2,136	1,970	(43)	1,927
Sheffield City Board of Education	TSHF	10,141	9,324	-	-	-	-	-	699	-	70	769	705	(16)	689
Shelby County Board of Education	TSBY	216,511	169,538	-	-	-	-	-	12,711	-	27,324	40,035	12,823	(6,355)	6,468
Shelton State Community College	TTVS	27,367	24,880	-	-	-	-	-	1,865	-	435	2,300	1,881	(101)	1,780
Snead State Community College	TSJC	9,788	9,057	-	-	-	-	-	679	-	17	696	685	(4)	681
Southern Union State Community College	TSUC	19,727	17,886	-	-	-	-	-	1,341	-	356	1,697	1,353	(83)	1,270
Special Programming for Achievement Network	TBSC	3,321	2,899	-	-	-	-	-	217	-	158	375	219	(37)	182
St. Clair County Board of Education	TSTC	60,078	57,308	-	-	1,398	1,398	-	4,297	-	-	4,297	4,335	325	4,660
State of Alabama--Commission on Higher Education	TCHE	2,790	2,938	-	-	307	307	-	220	-	-	220	222	71	293
State of Alabama--Department of Rehab Services	TDRS	55,782	55,638	-	-	3,422	3,422	-	4,172	-	-	4,172	4,209	796	5,005
State of Alabama--Department of Post-Secondary Ed	TPSE	7,142	5,907	-	-	-	-	-	443	-	626	1,069	446	(145)	301
State of Alabama--Department of Youth Services	TDYS	31,463	28,051	-	-	-	-	-	2,103	-	984	3,087	2,122	(229)	1,893
State of Alabama--High School of Math & Science	THMS	3,565	3,753	-	-	392	392	-	281	-	-	281	283	91	374
State of Alabama--State Board of Education	TSBE	68,169	69,615	-	-	5,601	5,601	-	5,219	-	-	5,219	5,266	1,303	6,569
State of Alabama--Teachers Retirement System	TTRS	18,419	19,094	-	-	1,762	1,762	-	1,432	-	-	1,432	1,445	410	1,855
Sumter County Board of Education	TSUM	15,862	13,870	-	-	-	-	-	1,040	-	733	1,773	1,049	(171)	878
Sylacauga City Board of Education	TSYL	18,222	17,019	-	-	106	106	-	1,276	-	-	1,276	1,288	25	1,313
Talladega City Board of Education	TTAL	18,020	16,507	-	-	-	-	-	1,238	-	178	1,416	1,249	(41)	1,208
Talladega County Board of Education	TTDG	57,462	53,152	-	-	-	-	-	3,985	-	115	4,100	4,020	(27)	3,993



SCHEDULE B (continued)

Employer	Employer Code	2013 Net Pension Liability	2014 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
				Differences 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 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
Tallapoosa County Board of Education	TTPS	22,144	20,834	-	-	261	261	-	1,562	-	-	1,562	1,577	61	1,638
Tallassee City Board of Education	TTAS	13,314	12,590	-	-	214	214	-	944	-	-	944	952	50	1,002
Tarrant Board of Education	TTAR	9,764	8,735	-	-	-	-	-	655	-	278	933	660	(65)	595
Thomasville City Schools	TTOM	10,680	9,986	-	-	72	72	-	749	-	-	749	756	17	773
Troy City Board of Education	TTRY	17,050	15,371	-	-	-	-	-	1,153	-	385	1,538	1,163	(89)	1,074
Troy University	TTST	144,243	131,371	-	-	-	-	-	9,850	-	2,087	11,937	9,938	(485)	9,453
Trussville City Board of Education	TTCB	33,360	31,460	-	-	460	460	-	2,359	-	-	2,359	2,380	107	2,487
Tuscaloosa City Schools	TTUS	88,022	82,924	-	-	1,140	1,140	-	6,217	-	-	6,217	6,271	265	6,536
Tuscaloosa County Schools	TTLS	120,287	114,475	-	-	2,568	2,568	-	8,583	-	-	8,583	8,658	597	9,255
Tuscumbia City Board of Education	TTSC	11,291	10,570	-	-	88	88	-	792	-	-	792	799	20	819
University Chancellor's Office	TUCO	14,380	12,921	-	-	-	-	-	969	-	361	1,330	977	(84)	893
University of Alabama	TUVA	493,140	472,075	-	-	12,940	12,940	-	35,395	-	-	35,395	35,709	3,009	38,718
University of Alabama--Birmingham	TUMC	1,231,963	1,107,275	-	-	-	-	-	83,022	-	30,727	113,749	83,763	(7,146)	76,617
University of Alabama--Huntsville	TUAH	149,890	146,248	-	-	6,349	6,349	-	10,965	-	-	10,965	11,062	1,476	12,538
University of Montevallo	TALC	36,136	34,580	-	-	937	937	-	2,593	-	-	2,593	2,616	218	2,834
University of North Alabama	TFST	59,779	56,228	-	-	695	695	-	4,216	-	-	4,216	4,254	162	4,416
University of South Alabama	TUSA	341,831	301,821	-	-	-	-	-	22,630	-	13,259	35,889	22,831	(3,086)	19,745
University of West Alabama	TLVC	31,326	31,342	-	-	2,006	2,006	-	2,350	-	-	2,350	2,371	467	2,838
Vestavia Hills Board of Education	TVES	60,720	58,327	-	-	1,769	1,769	-	4,373	-	-	4,373	4,412	411	4,823
Walker County Board of Education	TWLK	62,036	57,424	-	-	-	-	-	4,305	-	88	4,393	4,343	(21)	4,322
Wallace Community College--Dothan	TGWD	23,853	22,427	-	-	270	270	-	1,682	-	-	1,682	1,696	63	1,759
Wallace State College--Hanceville	TCUT	25,478	23,491	-	-	-	-	-	1,761	-	118	1,879	1,776	(27)	1,749
Washington County Board of Education	TWSH	23,571	21,168	-	-	-	-	-	1,587	-	603	2,190	1,601	(140)	1,461
Wilcox County Board of Education	TWIL	15,766	14,574	-	-	-	-	-	1,093	-	41	1,134	1,103	(9)	1,094
Winfield City Board of Education	TWFD	9,193	8,708	-	-	161	161	-	653	-	-	653	658	38	696
Winston Education Board	TWIN	21,243	20,027	-	-	288	288	-	1,502	-	-	1,502	1,515	67	1,582
Total for All Entities		\$ 9,795,237	\$ 9,084,564	\$ -	\$ -	\$ 115,709	\$ 115,709	\$ -	\$ 681,134	\$ -	\$ 115,709	\$ 796,843	\$ 687,176	\$ -	\$ 687,176



SCHEDULE C

**Teachers' Retirement System of Alabama
 Schedule of Discount Rate Sensitivity, Amortization of Deferred Outflows/(Inflows) and Employer Contribution
 As of and for the Fiscal Year Ending September 30, 2015
 (Dollar Amounts in Thousands)**

Employer	Employer Code	NPL @ Minus 1% (7.00%)	NPL @ Plus 1% (9.00%)	Projected Deferred Outflows/(Inflows) To Be Recognized in Pension Expense for the Fiscal Year Ended September 30						2014 Actual Employer Contributions
				2016	2017	2018	2019	2020	Thereafter	
Alabama A&M University	TAMI	\$ 89,226	\$ 45,383	\$ (1,271)	\$ (1,271)	\$ (1,271)	\$ (1,271)	\$ (14)	\$ -	\$ 5,179
Alabama Association of School Boards	TAAB	1,811	921	(19)	(19)	(19)	(19)	3	-	105
Alabama Education Association	TAEA	13,388	6,809	(92)	(92)	(92)	(92)	24	-	777
Alabama Fire College	T AFC	4,723	2,402	(99)	(99)	(99)	(99)	(9)	-	274
Alabama High School Athletic Association	TAAA	1,941	987	(8)	(8)	(8)	(8)	7	-	113
Alabama Higher Education Partnership	TAHP	432	220	(11)	(11)	(11)	(11)	1	-	25
Alabama Industrial Development Training	TIDT	17,685	8,995	(165)	(165)	(165)	(165)	21	-	1,026
Alabama Institute for Deaf and Blind	TAID	67,267	34,214	(754)	(754)	(754)	(754)	55	-	3,904
Alabama Retired State Employees Association	TREA	744	378	(12)	(12)	(12)	(12)	(2)	-	43
Alabama School of Fine Arts	THFA	7,542	3,836	(105)	(105)	(105)	(105)	3	-	438
Alabama Southern Community College	TMOC	13,804	7,021	(207)	(207)	(207)	(207)	(6)	-	801
Alabama State Employees Association	TASE	1,767	899	(23)	(23)	(23)	(23)	1	-	103
Alabama State University	TMST	100,270	51,001	(860)	(860)	(860)	(860)	159	-	5,820
Alabama Technology Network	TATN	9,426	4,794	(206)	(206)	(206)	(206)	(20)	-	547
Alabama Vocational Association	TAVA	86	44	(2)	(2)	(2)	(2)	(2)	-	5
Alabaster City School System	TALR	55,553	28,256	(2,328)	(2,328)	(2,328)	(2,328)	(469)	-	3,224
Albertville City Board of Education	TALB	40,537	20,619	(272)	(272)	(272)	(272)	86	-	2,353
Alexander City Board of Education	TALX	28,997	14,749	(372)	(372)	(372)	(372)	7	-	1,683
Andalusia City Board of Education	TADL	15,477	7,872	(190)	(190)	(190)	(190)	6	-	898
Anniston Board of Education	TANN	23,225	11,813	(286)	(286)	(286)	(286)	14	-	1,348
Arab City Board of Education	TARB	24,168	12,292	(178)	(178)	(178)	(178)	50	-	1,403
Athens City Board of Education	TATH	35,996	18,309	(370)	(370)	(370)	(370)	36	-	2,089
Athens State University	TATC	30,654	15,592	(633)	(633)	(633)	(633)	(64)	-	1,779
Attalla City Schools	TATT	16,278	8,279	(146)	(146)	(146)	(146)	25	-	945
Auburn City Board of Education	TAUB	75,847	38,578	(564)	(564)	(564)	(564)	147	-	4,402
Auburn University	TAPI	712,597	362,451	(8,283)	(8,283)	(8,283)	(8,283)	456	-	41,361
Autauga County Board of Education	TATG	80,246	40,816	(1,094)	(1,094)	(1,094)	(1,094)	0	-	4,658
Baldwin County Board of Education	TBLD	277,295	141,042	(2,035)	(2,035)	(2,035)	(2,035)	531	-	16,095
Barbour County Schools	TBAR	10,536	5,359	(190)	(190)	(190)	(190)	(16)	-	612
Bessemer Board of Education	TBSM	40,056	20,374	(632)	(632)	(632)	(632)	(23)	-	2,325
Bevill State Community College	TWCT	32,360	16,459	(568)	(568)	(568)	(568)	(40)	-	1,878
Bibb County Board of Education	TBIB	31,293	15,917	(535)	(535)	(535)	(535)	(29)	-	1,816
Birmingham City Schools	TBMH	254,023	129,205	(4,642)	(4,642)	(4,642)	(4,642)	(347)	-	14,744
Bishop State Community College	TMJC	29,166	14,835	(510)	(510)	(510)	(510)	(36)	-	1,693
Blount County Board of Education	TBLT	71,583	36,410	(943)	(943)	(943)	(943)	15	-	4,155
Boaz City Board of Education	TBOZ	21,469	10,920	(268)	(268)	(268)	(268)	7	-	1,246
Brewton City Board of Education	TBWT	11,460	5,829	(183)	(183)	(183)	(183)	(4)	-	665
Bullock County Board of Education	TBLK	15,921	8,098	(240)	(240)	(240)	(240)	(7)	-	924
Butler County Board of Education	TBLR	30,376	15,450	(581)	(581)	(581)	(581)	(48)	-	1,763
Calhoun Community College	TDEC	40,060	20,376	(631)	(631)	(631)	(631)	(24)	-	2,325
Calhoun County Board of Education	TCAL	86,049	43,767	(1,256)	(1,256)	(1,256)	(1,256)	(22)	-	4,995
CAPNA, Inc.	TNCA	19,139	9,735	545	545	545	545	243	-	1,111
Central Alabama Community College	TACC	14,901	7,579	(390)	(390)	(390)	(390)	(54)	-	865
Chambers County Board of Education	TCHB	36,399	18,514	(394)	(394)	(394)	(394)	33	-	2,113
Chattahoochee Valley Community College	TCVS	10,559	5,371	(162)	(162)	(162)	(162)	(8)	-	613
Cherokee County Board of Education	TCHK	39,464	20,073	(532)	(532)	(532)	(532)	1	-	2,291
Chickasaw City School System	TCKW	7,813	3,974	47	47	47	47	49	-	454
Chilton County Board of Education	TCHT	64,867	32,994	(891)	(891)	(891)	(891)	2	-	3,765
Choctaw County Board of Education	TCHW	15,818	8,046	(289)	(289)	(289)	(289)	(21)	-	918
Clarke County Board of Education	TCLK	30,741	15,636	(454)	(454)	(454)	(454)	(8)	-	1,784



SCHEDULE C (continued)

Employer	Employer Code	NPL @ Minus 1% (7.00%)	NPL @ Plus 1% (9.00%)	Projected Deferred Outflows/(Inflows) To Be Recognized in Pension Expense for the Fiscal Year Ended September 30						2014 Actual Employer Contributions
				2016	2017	2018	2019	2020	Thereafter	
Clay County Board of Education	TCLY	18,738	9,531	(224)	(224)	(224)	(224)	13	-	1,088
Cleburne County Board of Education	TCLB	25,542	12,991	(189)	(189)	(189)	(189)	47	-	1,483
Coffee County Board of Education	TCOF	17,436	8,868	(208)	(208)	(208)	(208)	11	-	1,012
Colbert County Board of Education	TCOL	31,760	16,154	(500)	(500)	(500)	(500)	(19)	-	1,843
Community Svc Programs of West Alabama	TCSP	9,933	5,052	(235)	(235)	(235)	(235)	(27)	-	577
Conecuh County Board of Education	TCON	18,950	9,639	(294)	(294)	(294)	(294)	(9)	-	1,100
Coosa County Board of Education	TCSA	11,293	5,744	(277)	(277)	(277)	(277)	(36)	-	655
Council for Leaders in Alabama Schools	TACA	1,034	526	(14)	(14)	(14)	(14)	(3)	-	60
Covington County Board of Education	TCOV	29,454	14,982	(409)	(409)	(409)	(409)	(1)	-	1,710
Crenshaw County Board of Education	TCRW	20,879	10,620	(296)	(296)	(296)	(296)	(4)	-	1,212
Cullman City Board of Education	TCMN	29,551	15,031	(355)	(355)	(355)	(355)	20	-	1,715
Cullman County Commission on Education	TCUL	91,692	46,638	(1,042)	(1,042)	(1,042)	(1,042)	68	-	5,322
Dale County Board of Education	TDAL	27,138	13,803	(300)	(300)	(300)	(300)	19	-	1,575
Daleville City Board of Education	TDLV	11,302	5,749	(141)	(141)	(141)	(141)	8	-	656
Dallas County Board of Education	TDLS	37,311	18,978	(604)	(604)	(604)	(604)	(29)	-	2,166
Dauphin Island Sea Lab	TMES	8,301	4,222	(88)	(88)	(88)	(88)	7	-	482
Decatur Board of Education	TDTR	97,236	49,458	(1,477)	(1,477)	(1,477)	(1,477)	(44)	-	5,644
Dekalb County Board of Education	TDKB	81,014	41,206	(963)	(963)	(963)	(963)	47	-	4,702
Demopolis City Schools	TDPL	20,571	10,463	(236)	(236)	(236)	(236)	15	-	1,194
Developing Alabama Youth Foundation	TDAY	980	498	20	20	20	20	6	-	57
Dothan Board of Education	TDTN	87,856	44,686	(967)	(967)	(967)	(967)	75	-	5,099
Elba City Board of Education	TELB	7,421	3,775	(157)	(157)	(157)	(157)	(19)	-	431
Elmore County Board of Education	TELM	96,344	49,004	(1,237)	(1,237)	(1,237)	(1,237)	27	-	5,592
Enterprise Board of Education	TENP	60,387	30,715	(605)	(605)	(605)	(605)	67	-	3,505
Enterprise Ozark Community College	TEPC	17,706	9,006	(532)	(532)	(532)	(532)	(84)	-	1,028
Escambia County Board of Education	TESC	45,098	22,939	(628)	(628)	(628)	(628)	0	-	2,618
Etowah County Board of Ed	TETH	81,415	41,410	(1,108)	(1,108)	(1,108)	(1,108)	3	-	4,726
Etowah County Community Service Program, Inc.	TECA	407	207	(8)	(8)	(8)	(8)	4	-	24
Eufaula City Board of Education	TEFL	26,751	13,606	(320)	(320)	(320)	(320)	12	-	1,553
Fairfield Board of Education	TFRF	17,357	8,829	(261)	(261)	(261)	(261)	(6)	-	1,007
Faulkner State Community College	TBMC	21,822	11,099	(272)	(272)	(272)	(272)	8	-	1,267
Fayette County Board of Education	TFAY	23,784	12,097	(301)	(301)	(301)	(301)	8	-	1,380
Florence City Board of Education	TFLO	47,307	24,062	(831)	(831)	(831)	(831)	(56)	-	2,746
Fort Payne City Board of Education	TFTP	26,878	13,671	(308)	(308)	(308)	(308)	19	-	1,560
Franklin County Board of Education	TFRK	32,873	16,721	(361)	(361)	(361)	(361)	27	-	1,908
Gadsden City Board of Education	TGDS	53,172	27,045	(586)	(586)	(586)	(586)	46	-	3,086
Gadsden State Community College	TGDC	45,868	23,330	(927)	(927)	(927)	(927)	(90)	-	2,662
Gardendale Board of Education	TGBE	823	419	104	104	104	104	32	-	4
Geneva City Board of Education	TGCB	12,051	6,130	(132)	(132)	(132)	(132)	10	-	700
Geneva County Board of Education	TGEN	23,817	12,114	(204)	(204)	(204)	(204)	38	-	1,382
George Corley Wallace State Community College	TGWS	17,118	8,707	(179)	(179)	(179)	(179)	17	-	994
Greene County Board of Education	TGRN	13,688	6,962	(238)	(238)	(238)	(238)	(18)	-	795
Guntersville City Board of Education	TGUN	19,211	9,771	(238)	(238)	(238)	(238)	7	-	1,115
H. Councill Trenholm State Technical College	TMGT	16,558	8,422	(362)	(362)	(362)	(362)	(41)	-	961
Hale County Board of Education	THAL	26,363	13,409	(358)	(358)	(358)	(358)	0	-	1,530
Haleyville City Board of Education	THAV	16,429	8,356	(238)	(238)	(238)	(238)	(4)	-	954
Hartselle City Board of Education	THCS	30,836	15,684	(292)	(292)	(292)	(292)	38	-	1,790
Henry County Board of Education	THNY	23,392	11,898	(314)	(314)	(314)	(314)	6	-	1,358
Homewood City Board of Education	THOM	53,056	26,986	(598)	(598)	(598)	(598)	38	-	3,080
Hoover City Board of Education	THOV	164,467	83,654	(1,938)	(1,938)	(1,938)	(1,938)	100	-	9,546
Houston County Board of Education	THST	54,683	27,814	(671)	(671)	(671)	(671)	24	-	3,174
Huntsville City Schools	THTS	230,743	117,364	(3,286)	(3,286)	(3,286)	(3,286)	(33)	-	13,393
J. F. Drake State Technical College	THVS	9,482	4,823	(92)	(92)	(92)	(92)	8	-	550
J. F. Ingram State Technical College	TDRT	15,992	8,134	(95)	(95)	(95)	(95)	37	-	928
Jackson County Board of Education	TJKS	58,712	29,863	(784)	(784)	(784)	(784)	6	-	3,408
Jacksonville City Board of Education	TJCS	14,421	7,335	(175)	(175)	(175)	(175)	7	-	837
Jacksonville State University	TJST	90,659	46,112	(1,252)	(1,252)	(1,252)	(1,252)	(3)	-	5,262
Jasper City Board of Education	TJSP	29,020	14,761	(434)	(434)	(434)	(434)	(10)	-	1,684
Jeff Davis Community College	TBRC	9,255	4,707	(292)	(292)	(292)	(292)	(53)	-	537
Jefferson County American Federation of Teachers	TJFT	422	215	7	7	7	7	3	-	25
Jefferson County Board of Education	TJEF	359,576	182,893	(4,927)	(4,927)	(4,927)	(4,928)	4	-	20,871



SCHEDULE C (continued)

Employer	Employer Code	NPL @ Minus 1% (7.00%)	NPL @ Plus 1% (9.00%)	Projected Deferred Outflows/(Inflows) To Be Recognized in Pension Expense for the Fiscal Year Ended September 30						2014 Actual Employer Contributions
				2016	2017	2018	2019	2020	Thereafter	
Jefferson State Community College	TJJC	40,303	20,499	(667)	(667)	(667)	(667)	(30)	-	2,339
Lamar County Schools	TLAM	21,181	10,773	(273)	(273)	(273)	(273)	3	-	1,229
Lanett City Schools	TLNT	8,700	4,425	(67)	(67)	(67)	(67)	16	-	505
Lauderdale County Board of Ed	TLAU	76,874	39,101	(1,006)	(1,006)	(1,006)	(1,006)	16	-	4,462
Law Enforcement Academy--Baldwin County	TSWP	236	120	19	19	19	19	7	-	14
Law Enforcement Academy--Tuscaloosa	TLET	265	135	(34)	(34)	(34)	(34)	(6)	-	15
Lawrence County Board of Education	TLAW	49,880	25,371	(644)	(644)	(644)	(644)	11	-	2,895
Lawson State College	TLSC	25,785	13,115	(620)	(620)	(620)	(620)	(78)	-	1,497
Lee County Board of Education	TLEE	93,970	47,797	(929)	(929)	(929)	(929)	110	-	5,454
Leeds Board of Education, City of	TLDS	16,888	8,590	(77)	(77)	(77)	(77)	45	-	980
Limestone County Board of Education	TLST	82,728	42,078	(871)	(871)	(871)	(871)	78	-	4,802
Linden City Board of Education	TLND	5,305	2,698	(62)	(62)	(62)	(62)	1	-	308
Lowndes County Board of Education	TLDN	22,379	11,383	(619)	(619)	(619)	(619)	(92)	-	1,299
Lurleen B. Wallace Community College	TLUR	14,825	7,540	(257)	(257)	(257)	(257)	(17)	-	860
Macon County Board of Education	TMAC	24,861	12,645	(444)	(444)	(444)	(444)	(28)	-	1,443
Madison City Board of Education	TMDC	89,958	45,756	(1,051)	(1,051)	(1,051)	(1,051)	58	-	5,221
Madison County Board of Education	TMAD	186,681	94,952	(2,556)	(2,556)	(2,556)	(2,556)	6	-	10,835
Marengo County Board of Education	TMNG	12,848	6,535	(369)	(369)	(369)	(369)	(57)	-	746
Marion County Board of Education	TMAR	31,742	16,145	(568)	(568)	(568)	(568)	(38)	-	1,842
Marion Military Institute	TMMI	9,029	4,592	(72)	(72)	(72)	(72)	17	-	524
Marshall County Board of Education	TMSH	55,649	28,305	(838)	(838)	(838)	(838)	(18)	-	3,230
Midfield City Board of Education	TMID	11,361	5,778	(225)	(225)	(225)	(225)	(21)	-	659
Mobile School Commissioners	TMOB	548,683	279,079	(7,907)	(7,907)	(7,907)	(7,907)	(109)	-	31,847
Monroe County Board of Education	TMON	34,207	17,399	(539)	(539)	(539)	(539)	(19)	-	1,985
Montgomery City and County Board of Education	TMTG	288,259	146,618	(4,211)	(4,211)	(4,211)	(4,211)	(72)	-	16,731
Morgan County Board of Education	TMOR	76,635	38,979	(936)	(936)	(936)	(936)	31	-	4,448
Mountain Brook City Board of Education	TMTB	61,262	31,160	(767)	(767)	(767)	(767)	21	-	3,556
Muscle Shoals City Schools	TMSC	28,290	14,389	(260)	(260)	(260)	(260)	38	-	1,642
Northeast Alabama Community College	TNEC	16,321	8,301	(177)	(177)	(177)	(177)	18	-	947
Northwest Shoals Community College	TNWC	25,289	12,863	(330)	(330)	(330)	(330)	3	-	1,468
Oneonta City Board of Education	TONE	12,320	6,266	(192)	(192)	(192)	(192)	(6)	-	715
Opelika City Board of Education	TOPK	45,917	23,355	(644)	(644)	(644)	(644)	(4)	-	2,665
Opp City Board of Education	TOPP	12,451	6,333	(140)	(140)	(140)	(140)	6	-	723
Organized Community Action Program Inc	TOCA	6,648	3,382	(63)	(63)	(63)	(63)	7	-	386
Oxford City Schools	TOXF	41,335	21,024	(517)	(517)	(517)	(517)	14	-	2,399
Ozark City Board of Education	TOZK	23,317	11,860	(263)	(263)	(263)	(263)	20	-	1,353
Pelham City Board of Education	TPLS	30,526	15,527	3,844	3,844	3,844	3,844	1,281	-	208
Pell City School System	TPEL	37,788	19,220	(491)	(491)	(491)	(491)	10	-	2,193
Perry County Board of Education	TPRY	17,373	8,837	(325)	(325)	(325)	(325)	(26)	-	1,008
Phenix City Board of Education	TPHC	62,334	31,705	(670)	(670)	(670)	(670)	58	-	3,618
Pickens County Board of Education	TPKS	26,245	13,349	(519)	(519)	(519)	(519)	(49)	-	1,523
Piedmont City Schools	TPMT	11,092	5,642	(89)	(89)	(89)	(89)	22	-	644
Pike County Board of Education	TPIK	22,808	11,601	(336)	(336)	(336)	(336)	(7)	-	1,324
Pike Road City Schools	TPRB	330	168	42	42	42	42	14	-	5
Randolph County Board of Education	TRAN	21,166	10,766	(341)	(341)	(341)	(341)	(18)	-	1,229
Reid State Technical College	TEVN	8,078	4,109	(72)	(72)	(72)	(72)	13	-	469
Roanoke City Schools	TROK	13,144	6,686	(153)	(153)	(153)	(153)	9	-	763
Russell County Board of Education	TRUS	31,797	16,173	(322)	(322)	(322)	(322)	36	-	1,846
Russellville City Board of Education	TRSV	24,815	12,622	(260)	(260)	(260)	(260)	20	-	1,440
Saraland Board of Education	TSAR	21,547	10,960	93	93	93	93	117	-	1,251
Satsuma City Schools	TSTM	10,843	5,515	(19)	(19)	(19)	(19)	37	-	629
School Superintendents of Alabama	TSAL	482	245	(2)	(2)	(2)	(2)	4	-	28
Scottsboro Board of Education	TSCO	26,909	13,687	(340)	(340)	(340)	(340)	10	-	1,562
Selma Public Schools	TSMA	35,491	18,052	(531)	(531)	(531)	(531)	(12)	-	2,060
Sheffield City Board of Education	TSHF	12,703	6,461	(191)	(191)	(191)	(191)	(5)	-	737
Shelby County Board of Education	TSBY	230,963	117,476	(9,533)	(9,533)	(9,533)	(9,533)	(1,903)	-	13,406
Shelton State Community College	TTVS	33,895	17,240	(567)	(567)	(567)	(567)	(32)	-	1,967
Snead State Community College	TSJC	12,339	6,276	(174)	(174)	(174)	(174)	0	-	716
Southern Union State Community College	TSUC	24,366	12,393	(418)	(418)	(418)	(418)	(25)	-	1,414
Special Programming for Achievement Network	TBSC	3,949	2,009	(91)	(91)	(91)	(91)	(11)	-	229
St. Clair County Board of Education	TSTC	78,071	39,709	(749)	(749)	(749)	(749)	97	-	4,531



SCHEDULE C (continued)

Employer	Employer Code	NPL @ Minus 1% (7.00%)	NPL @ Plus 1% (9.00%)	Projected Deferred Outflows/(Inflows) To Be Recognized in Pension Expense for the Fiscal Year Ended September 30						2014 Actual Employer Contributions
				2016	2017	2018	2019	2020	Thereafter	
State of Alabama--Commission on Higher Education	TCHE	4,002	2,036	16	16	16	16	23	-	232
State of Alabama--Department of Rehab Services	TDRS	75,796	38,553	(247)	(247)	(247)	(247)	238	-	4,399
State of Alabama--Department of Post-Secondary Ed	TPSE	8,048	4,093	(256)	(256)	(256)	(256)	(45)	-	467
State of Alabama--Department of Youth Services	TDYS	38,214	19,437	(755)	(755)	(755)	(755)	(67)	-	2,218
State of Alabama--High School of Math & Science	THMS	5,113	2,601	21	21	21	21	27	-	297
State of Alabama--State Board of Education	TSBE	94,837	48,237	(2)	(2)	(2)	(2)	390	-	5,505
State of Alabama--Teachers Retirement System	TTRS	26,011	13,230	52	52	52	52	122	-	1,510
Sumter County Board of Education	TSUM	18,895	9,611	(431)	(431)	(431)	(431)	(49)	-	1,097
Sylacauga City Board of Education	TSYL	23,185	11,792	(294)	(294)	(294)	(294)	6	-	1,346
Talladega City Board of Education	TTAL	22,488	11,438	(350)	(350)	(350)	(350)	(16)	-	1,305
Talladega County Board of Education	TTDG	72,410	36,830	(1,023)	(1,023)	(1,023)	(1,023)	(8)	-	4,203
Tallapoosa County Board of Education	TTPS	28,382	14,436	(330)	(330)	(330)	(330)	19	-	1,647
Tallassee City Board of Education	TTAS	17,152	8,724	(186)	(186)	(186)	(186)	14	-	996
Tarrant Board of Education	TTAR	11,900	6,053	(229)	(229)	(229)	(229)	(17)	-	691
Thomasville City Schools	TTOM	13,603	6,919	(170)	(170)	(170)	(170)	3	-	790
Troy City Board of Education	TTRY	20,941	10,651	(377)	(377)	(377)	(377)	(30)	-	1,215
Troy University	TTST	178,967	91,029	(2,947)	(2,947)	(2,947)	(2,947)	(149)	-	10,388
Trussville City Board of Education	TTCB	42,859	21,799	(483)	(483)	(483)	(483)	33	-	2,488
Tuscaloosa City Schools	TTUS	112,969	57,460	(1,289)	(1,289)	(1,289)	(1,289)	79	-	6,557
Tuscaloosa County Schools	TTLS	155,951	79,322	(1,549)	(1,549)	(1,549)	(1,549)	181	-	9,052
Tuscumbia City Board of Education	TTSC	14,399	7,324	(178)	(178)	(178)	(178)	8	-	836
University Chancellor's Office	TUCO	17,602	8,953	(326)	(326)	(326)	(326)	(26)	-	1,022
University of Alabama	TUVA	643,113	327,109	(5,840)	(5,840)	(5,840)	(5,840)	905	-	37,328
University of Alabama--Birmingham	TUMC	1,508,452	767,248	(27,904)	(27,904)	(27,904)	(27,905)	(2,132)	-	87,556
University of Alabama--Huntsville	TUAH	199,235	101,338	(1,265)	(1,265)	(1,265)	(1,265)	444	-	11,564
University of Montevallo	TALC	47,109	23,961	(430)	(430)	(430)	(430)	64	-	2,734
University of North Alabama	TFST	76,600	38,961	(892)	(892)	(892)	(892)	47	-	4,446
University of South Alabama	TUSA	411,174	209,137	(8,741)	(8,741)	(8,741)	(8,741)	(925)	-	23,866
University of West Alabama	TLVC	42,697	21,717	(120)	(120)	(120)	(120)	136	-	2,478
Vestavia Hills Board of Education	TVES	79,460	40,416	(682)	(682)	(682)	(682)	124	-	4,612
Walker County Board of Education	TWLK	78,229	39,790	(1,097)	(1,097)	(1,097)	(1,097)	(5)	-	4,541
Wallace Community College--Dothan	TGWD	30,553	15,540	(357)	(357)	(357)	(357)	16	-	1,773
Wallace State College--Hanceville	TCUT	32,002	16,277	(467)	(467)	(467)	(467)	(11)	-	1,857
Washington County Board of Education	TWSH	28,838	14,668	(537)	(537)	(537)	(537)	(42)	-	1,674
Wilcox County Board of Education	TWIL	19,854	10,098	(282)	(282)	(282)	(282)	(6)	-	1,152
Winfield City Board of Education	TWFD	11,863	6,034	(125)	(125)	(125)	(125)	8	-	689
Winston Education Board	TWIN	27,283	13,877	(308)	(308)	(308)	(308)	18	-	1,584
Total for All Employers		\$ 12,375,992	\$ 6,294,849	\$ (170,283)	\$ (170,283)	\$ (170,283)	\$ (170,285)	\$ -	\$ -	\$ 716,715



SCHEDULE D

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

The Teachers' Retirement System of Alabama was established on September 15, 1939 and went into effect September 30, 1941. The valuation took into account amendments to the System through the valuation date. There is a new tier (Tier II) of benefits for all members initially joining the System on and after January 1, 2013. The following summary describes the main benefit and contribution provisions of the System as interpreted for the valuation.

1 - DEFINITIONS

Average Final Compensation - the average compensation of a member for:

Tier I – the 3 highest years in the last 10 years of Creditable Service

Tier II – the 5 highest years in the last 10 years of Creditable Service

Membership Service – all service rendered while a member of the retirement system and for which contributions are made.

Creditable Service – the sum of membership service, prior service, and any other service established as creditable in accordance with the provisions of the retirement law.

Annuity – payments for life derived from accumulated contributions of a member.

Pension – payments for life derived from employer contributions.

Retirement Allowance – the sum of the annuity and pension.

2 - BENEFITS

Service Retirement Allowance

Condition for Allowance

Tier I

A retirement allowance is payable upon the request of any member who has completed 25 years of creditable service or who has attained age 60 and completed at least 10 years of creditable service.

Tier II

A retirement allowance is payable upon the request of any member who has attained age 62 and completed at least 10 years of creditable service (age 56 with 10 years of creditable service for a full-time certified firefighter, police officer or correctional officer).

Amount of Allowance

Tier I

Upon service retirement a member receives a retirement allowance equal to 2.0125% of the member's average final compensation multiplied by the number of years of creditable service. At retirement, a member receives one additional year of creditable service in



SCHEDULE D (continued)

determining the retirement allowance for each five years of service as a full-time certified firefighter, police officer or correctional officer.

Tier II Upon service retirement a member receives a retirement allowance equal to 1.65% of the member's average final compensation multiplied by the number of years of creditable service. The benefit is capped at 80% of the member's average final compensation.

Both The member may elect to receive a reduced retirement allowance in order to provide an allowance to a designated beneficiary after the member's death (see "Special Privileges at Retirement" below).

Disability Retirement Allowance

Condition for Allowance A disability retirement allowance may be granted to a member who has 10 years or more of creditable service who becomes totally and permanently incapacitated for duty before reaching eligibility for a service retirement allowance.

Amount of Allowance

Tier I On retirement for disability, a member receives a retirement allowance equal to 2.0125% of the member's average final compensation multiplied by the number of years of creditable service. At retirement, a member receives one additional year of creditable service in determining the retirement allowance for each five years of service as a full-time certified firefighter, police officer or correctional officer.

Tier II Upon disability retirement a member receives a retirement allowance equal to 1.65% of the member's average final compensation multiplied by the number of years of creditable service. The benefit is capped at 80% of the member's average final compensation.

Both The member may elect to receive a reduced retirement allowance in order to provide an allowance to a designated beneficiary after the member's death (see "Special Privileges at Retirement" below).

Benefits Payable on Separation from Service

Any member who withdraws from service is entitled to receive his or her contributions with allowable interest. A member who has completed 10 years of creditable service may, after separation from service, continue in the membership of the System and file for service retirement after reaching age 60 (age 62 for Tier II members).

Benefits Payable upon Death in Active Service

In the event of the death of a member eligible for service retirement, the designated beneficiary may elect (1) to exercise Option 3 defined below under "Special Privileges at Retirement" or (2) to receive a return of member contributions and total earned interest plus a death benefit payable from the pre-retirement death benefit fund equal to the salary on which the member made retirement contributions for the previous scholastic year (July 1-June 30).*



SCHEDULE D (continued)

In the event of the death of a member with more than one year of service who is not eligible to retire, the designated beneficiary shall receive the return of member contributions and total earned interest. Also, the designated beneficiary shall receive an additional death benefit payable from the pre-retirement death benefit fund equal to the salary on which retirement contributions were made for the previous scholastic year (July 1-June 30).*

In the event of a job-related death of a member with less than one year of service, the designated beneficiary shall receive the return of member contributions and total earned interest plus a death benefit payable from the pre-retirement death benefit fund equal to the annual earnable compensation of the member at the time of death.*

In the event of the death of a member with less than one year of service that is not job-related, the designated beneficiary shall receive the return of member contributions and total earned interest plus a matching death benefit which is limited to a \$5,000 maximum.

*However, if the death occurred more than 180 calendar days after the member's last day in pay status, or if the deceased had applied for a refund of contributions or terminated employment, the lump sum will be the same as if the member had less than one year of service and the death was not job-related.

Special Privileges at Retirement

In lieu of the full retirement allowance, any member may, at retirement, elect to receive a reduced retirement allowance equal in value to the full allowance, with the provision that:

Option 1 - If the member dies before annuity payments have equaled the present value of the annuity at the date of retirement, the balance is paid to a designated beneficiary or to his estate, or

Option 2 - After the member's death, the member's allowance is continued throughout the life of the designated beneficiary, or

Option 3 - After the member's death, one-half of the member's allowance is continued throughout the life of the designated beneficiary, or

Option 4 - Some other benefit is paid either to the member or to such other person as the member shall designate provided such benefit, together with the reduced retirement allowance, is of equivalent actuarial value to his retirement allowance and is approved by the Board of Control.

Deferred Retirement Option Plan (DROP)

Prior to March 25, 2011, a member may elect to participate in the Deferred Retirement Option Plan (DROP) upon completion of at least 25 years of creditable service (excluding sick leave) and attainment of at least 55 years of age. Under the DROP, the member may defer receipt of a retirement allowance and continue employment for a period



SCHEDULE D (continued)

not to exceed five years, nor to be less than three years. At the end of this period, the member will withdraw from active service and receive the retirement benefit calculated at the time of enrollment in the DROP, and also receive a payment for the deferred retirement benefits, employee contributions while participating in the DROP and interest earned on DROP deposits.

The effect of Act 2011-27 is that no new participants will be allowed to enter DROP with an effective participation date after June 1, 2011.

Term Life Insurance

Upon the death of a contributing member there is paid a term life insurance benefit of \$15,000 (pro-rated for part-time members)

Member Contributions

Tier I

Prior to October 1, 2011, regular members contributed 5.0% of salary and certified police officers, firefighters and correctional officers contributed 6.0% of salary. DROP participants continue to contribute during the DROP period, but receive a refund of these contributions and regular interest upon retirement.

Beginning October 1, 2011, the contribution rates were increased to 7.25% for regular members and 8.25% for police officers, firefighters and correctional officers.

Beginning October 1, 2012, the contribution rates were increased to 7.50% for regular members and 8.50% for police officers, firefighters and correctional officers.

Tier II

Regular members contribute 6% of salary and full-time certified firefighters, police officers and correctional officers contribute 7% of salary

Both

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

“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 16-25-14-(g)(1)).



SCHEDULE E

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

LONG-TERM INVESTMENT RATE OF RETURN: 8.00 per annum, compounded annually, including price inflation at 3%.

SALARY INCREASES: Representative values of the assumed annual rates of future salary increases are as follows and include wage inflation at 3.25% per annum:

Service	Annual Rate	Service	Annual Rate
0	8.25 %	6	5.00 %
1	6.50	7	4.75
2	5.75	8 to 13	4.50
3	5.50	14 to 18	4.00
4	5.25	19 & Over	3.50
5	5.00		

SEPARATIONS BEFORE SERVICE RETIREMENT: Representative values of the assumed annual rates of death, disability, and withdrawal are as follows:

Age	Annual Rate of						
	Death*	Disability		Withdrawal			
		Years of Service		Years of Service			
	0-24	25+	0-4	5-9	10-20	20+	
<u>Male</u>							
20	0.02%	0.04%		30.00%			
25	0.02	0.05		15.68	10.00%		
30	0.03	0.05		14.25	5.40	5.00%	
35	0.05	0.10		14.25	5.40	3.00	
40	0.07	0.18		14.00	5.40	2.50	1.00%
45	0.09	0.31	0.10%	14.00	5.00	2.50	1.00
50	0.12	0.51	0.10	12.50	4.50	2.50	1.00
55	0.20	0.96	0.10	12.00	4.00	2.50	1.00
60	0.40	0.50	0.10	12.00	4.00		
65	0.77			12.00	6.00		
69	1.20			12.00	6.00		



SCHEDULE E (continued)

Female

20	0.01%	0.10%		28.50%			
25	0.01	0.10		14.00	8.00%		
30	0.01	0.10		14.00	5.80	4.00%	
35	0.02	0.15		14.00	5.00	3.00	
40	0.03	0.16		12.00	4.50	2.10	1.10%
45	0.04	0.33	0.15%	11.50	3.75	2.10	0.75
50	0.06	0.63	0.15	11.00	3.75	2.10	0.75
55	0.11	0.99	0.15	11.00	3.75	2.50	0.75
60	0.21	0.25	0.25	12.00	4.50		
65	0.40			14.00	6.00		
69	0.62			14.00	6.00		

* Rates of pre-retirement mortality are according to the sex distinct RP-2000 Combined Mortality Table Projected with Scale AA to 2015 set back one year for females with an adjustment of factor of 0.75% for males and 0.50% for females.

SERVICE RETIREMENT:

The assumed annual rates of service retirement for **Tier I** members are as follows:

For members first eligible for unreduced benefits upon attaining 25 years of service but before age 65, rates are as follows:

<u>Age Group</u>	<u>Annual Rate</u>	
	<u>Male*</u>	<u>Female**</u>
47 & Under	20.0%	25.0%
48	20.0	17.0
49	20.0	16.0
50 to 52	15.0	16.0
53 to 54	14.0	16.0
55 to 59	15.0	20.0
60	15.0	15.0
61	20.0	25.0
62	35.0	35.0
63	30.0	25.0
64	25.0	30.0

*Retirement rates are increased by 7% in the year first eligible for unreduced retirement from age 50 through age 54 and by 10% from age 55 through age 60.

**Retirement rates are increased by 7% in the year first eligible for unreduced retirement from age 50 through age 54 and by 20% from age 55 through age 60.



SCHEDULE E (continued)

For members first eligible for unreduced benefits before attaining 25 years of service and all members age 65 and over, the rates are as follows:

<u>Age Group</u>	<u>Annual Rate</u>	
	<u>Male</u>	<u>Female</u>
60	13.0%	20.0%
61	12.0	15.0
62	28.0	25.0
63	20.0	20.0
64	15.0	18.0
65	30.0	30.0
66	28.0	30.0
67	20.0	25.0
68	20.0	28.0
69	20.0	22.0
70	20.0	25.0
71 to 74	20.0	22.0
75 & Above	100.0	100.0

The assumed annual rates of service retirement for **Tier II** members are as follows:

<u>Age Group</u>	<u>Annual Rate</u>			
	<u>Male</u>		<u>Female</u>	
	<u>Less than 25 years of service</u>	<u>25 or more years of service</u>	<u>Less than 25 years of service</u>	<u>25 or more years of service</u>
62	50.0%	60.0%	50.0%	65.0%
63	20.0	30.0	20.0	25.0
64	15.0	25.0	18.0	30.0
65	30.0	30.0	30.0	30.0
66	28.0	28.0	30.0	30.0
67	20.0	20.0	25.0	25.0
68	20.0	20.0	28.0	28.0
69	20.0	20.0	22.0	22.0
70	20.0	20.0	25.0	25.0
71 to 74	20.0	20.0	22.0	22.0
75 & above	100.0	100.0	100.0	100.0



SCHEDULE E (continued)

DEATHS AFTER RETIREMENT: Rates of mortality for the period after service retirement are according to the sex distinct RP-2000 Combined Mortality Table Projected with Scale AA to 2015 set back one year for females. Rates of mortality for the period after disability retirement are according to the RP-2000 Disabled Mortality Table, adjusted for males by a factor of 0.85. Representative values of the assumed annual rates of death after retirement are as follows:

Age	Annual Rate			
	<u>After Service Retirement</u>		<u>After Disability Retirement</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
35	0.07%	0.04%	1.92%	0.75%
40	0.10	0.05	1.92	0.75
45	0.12	0.08	1.92	0.75
50	0.16	0.12	2.46	1.15
55	0.27	0.21	3.01	1.65
60	0.53	0.41	3.57	2.18
65	1.03	0.80	4.26	2.80
70	1.77	1.38	5.32	3.76
75	3.06	2.26	6.98	5.22
80	5.54	3.74	9.30	7.23
85	9.97	6.35	12.04	10.02
90	17.27	11.39	15.59	14.00
95	25.96	17.74	22.74	19.45

SPOUSE'S BENEFIT: For those eligible for spouse's benefits, it is assumed that 75% will elect the lump sum death benefit payable from the death benefit fund and 25% will elect the spouse's benefit payable from the pension accumulation fund and included in the liabilities of the System.

BENEFITS PAYABLE UPON SEPARATION FROM SERVICE: For active members who separate from service prior to eligibility for a service retirement allowance, the liability is assumed to be the greater of the value of the refund of contributions and the value of the deferred annuity. Assumed refunds are reduced by 10% to account for interest accumulation adjustments which are less than the "regular" 4% rate adopted by the Board.

UNUSED SICK LEAVE: 3% load on service retirement liabilities for active members. (No load for Tier II members)

PERCENTAGE MARRIED: 100% of active members are assumed to be married with the husband 3 years older than the wife.

VALUATION METHOD: Individual entry age normal cost method.

ASSET METHOD: Market value.

LIABILITY FOR CURRENT INACTIVE MEMBERS: Member Contribution Balance is multiplied by a factor of 2.0.



SCHEDULE E

FUNDING POLICY OF THE TRS BOARD OF CONTROL

The purpose of the funding policy is to state the overall funding objectives for the Teachers' Retirement System of Alabama (System), 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 System 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 System will strive to meet the following funding objectives:

- To maintain an increasing funded ratio (ratio of system 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 System.
- 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 System 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 System'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.
- **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 (applicable only to employers participating in the System as of the adoption date of the funding policy).
 - **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**
 - In each valuation 1/15th of 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. The remaining Transitional UAAL each year will be amortized over an open period. The open period shall be the amortization period for the valuation preceding the adoption of the funding policy not to exceed 30 years. After 15 years the entire Transitional UAAL will be closed.
 - 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 Section 16-25-21.



SCHEDULE E (continued)

- 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, a contribution rate for the pre-retirement death benefit fund, a contribution rate for the term life insurance fund, the individual amortization rate for each of the New Incremental UAAL bases, the individual amortization rate for each of the 15 closed periods for the Transitional UAAL and the amortization of any remaining open portion of the Transitional UAAL.
- **UAAL Amortization Period for Employers joining the System after the Implementation of this Funding Policy**
 - For Employers joining the System after the implementation of this Funding Policy, the employer contribution rate shall be computed as the sum of the employer Normal Contribution rate, a contribution rate for administrative expenses, a contribution rate for the pre-retirement death benefit fund, a contribution rate for the term life insurance fund, and the initial UAAL contribution rate. The initial UAAL contribution rate shall be determined by amortizing the initial UAAL over a closed period equal to the expected future working lifetime of the active membership. This initial amortization period shall not be less than 10 years nor greater than 30 years.
 - In subsequent years the UAAL and employer contribution rate shall be determined in accordance with the rules of the Funding Policy described in the previous section.

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 system'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 System.