

Alabama Clerks and Registers Supernumerary Fund



Actuarial Valuation Report

Prepared as of September 30, 2025



May 1, 2026

Retirement Systems of Alabama
Alabama Clerks and Registers Supernumerary Fund
Montgomery, Alabama

Dear Sir or Madam:

In this report are submitted the results of the annual valuation of the assets and liabilities of the Alabama Clerks and Registers Supernumerary Fund (CRSF), prepared as of September 30, 2025. The purpose of this report is to provide a summary of the funded status of the Fund as of September 30, 2025, and to recommend rates of contribution for the fiscal year ending September 30, 2028.

While not verifying the data at source, the actuary performed tests for year-to-year consistency and internal reasonability. The valuation results depend on the integrity of the data. If any of the information is inaccurate or incomplete, our results may be different and our calculations may need to be revised. The complete cooperation of the systems staff in furnishing materials requested is hereby acknowledged with appreciation.

The State of Alabama operates a program for Clerks and Registers consisting of the following:

- (1) pay as you go payments directly from the Administrative Office of Courts to clerks and registers upon election of supernumerary status (retirement), and
- (2) the Clerks and Registers Supernumerary Fund (CRSF) into which each active clerk and register must contribute six percent (6%) of salary and from which payments are made to surviving spouses of those who meet minimum service requirements.

We have prepared the valuation results using the average of the Bond Buyer General Obligation 20-year Municipal Bond Index, Bloomberg (Barclay's) General Obligation 20-year Municipal Bond Index, and the S&P High Grade 20-year Municipal Bond Index as of September 30, 2025 (4.62%) to discount liabilities of the Fund. On this basis, the State would need to contribute \$13,447,013 to the CRSF for the year ending September 30, 2028.

The promised benefits of the Fund are included in the actuarially calculated contribution amounts which are developed using the Entry Age Normal cost method. In conjunction with the use of the discount rate described above, we recommend using market value of assets for valuation purposes. Gains and losses are reflected in the unfunded actuarial accrued liability that is being amortized over a 15-year period as a level dollar amount. The assumptions recommended by the actuary are in the aggregate reasonably related to the experience under the Fund and to reasonable expectations of anticipated experience under the Fund.



We have prepared the Schedule of Active Member Valuation Data, Schedule of Funding Progress, Trend Information and the Solvency Test for the financial section of the Annual Report.

This is to certify that the independent consulting actuary is a member of the American Academy of Actuaries and has experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the Fund and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the Fund.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

Since the program is funded primarily on a pay-as-you-go basis, the Fund is not operating in an actuarially prefunded manner. However, assuming that contributions to the Fund are made by the employer from year to year in the future at the rates recommended on the basis of the successive actuarial valuations, the sufficiency of the retirement fund to provide the benefits called for under the Fund may be safely anticipated.



Retirement Systems of Alabama
May 1, 2026
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The Table of Contents, which immediately follows, outlines the material contained in the report.

Respectfully Submitted,

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

Larry Langer, ASA, EA, FCA, MAAA
Principal and Consulting Actuary

A handwritten signature in blue ink, reading 'Edward J. Koebel'.

Edward Koebel, EA, FCA, MAAA
Chief Executive Officer

A handwritten signature in blue ink, reading 'Jennifer Johnson'.

Jennifer Johnson
Managing Director

A handwritten signature in blue ink, reading 'Wendy Ludbrook'.

Wendy Ludbrook FSA, EA, FCA, MAAA
Consulting Actuary



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SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of this year's and last year's valuations are summarized below:

VALUATION DATE	September 30, 2025	September 30, 2024
Discount Rate	4.62%	3.89%
Active clerks and registers:		
Number	39	44
Annual compensation	\$5,120,194	\$4,880,136
Supernumerary officials:		
Number	74	72
Annual allowances	\$6,282,440	\$6,092,025
Spouses receiving benefits:		
Number	20	25
Annual allowances	\$723,482	\$898,659
Former clerks and registers eligible for future benefits:		
Number	1	0
Annual allowances	\$78,896	\$0
Assets:		
Market Value	\$11,494,301	\$11,555,416
Actuarial accrued liability	\$132,615,573	\$138,765,085
Unfunded actuarial accrued liability	\$121,121,272	\$127,209,669
Funded Ratio	8.7%	8.3%
CONTRIBUTIONS FOR FISCAL YEAR ENDING	September 30, 2028	September 30, 2027
Actuarially Determined Employer Contribution (ADEC):		
Normal Cost	\$2,075,713	\$2,406,554
Accrued Liability Payment	\$11,371,300	\$11,353,549
Total	\$13,447,013	\$13,760,103
Employer Contribution	\$13,447,013	\$13,760,103
Employee Contribution	\$307,212	\$292,808
Total	\$13,754,225	\$14,052,911
Amortization Period	15 years	15 years





SECTION I - SUMMARY OF PRINCIPAL RESULTS

2. Comments on the valuation results as of September 30, 2025 are given in Section IV and further discussion of the contribution levels is set out in Section V.
3. Schedule C outlines the full set of actuarial assumptions and methods employed in the current valuation. We have prepared valuation results using the average of the Bond Buyer General Obligation 20-year Municipal Bond Index, the Bloomberg (Barclay's) General Obligation 20-year Municipal Bond Index, and the S&P High Grade 20-year Municipal Bond Index. The rates as of September 30, 2025 were 4.9%, 4.47%, and 4.5% for the Bond Buyer, Bloomberg (Barclay's), and S&P Municipal Bond Indices, respectively. These three rates resulted in an average Municipal Bond Index Rate of 4.62% for September 30, 2025 to be used to discount liabilities of the Fund. The discount rate used in the previous valuation was 3.89%. There have been no other changes in assumptions since the previous valuation.
4. Provisions of the Fund, as summarized in Schedule E, were taken into account in the current valuation. There have been no changes since the previous valuation.





SECTION II - MEMBERSHIP

- The following table shows the number of active clerks and registers and their annual compensation as of September 30, 2025 on the basis of which the valuation was prepared.

TABLE 1
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE CLERKS AND REGISTERS AS OF SEPTEMBER 30, 2025

GROUP	NUMBER	COMPENSATION
Males	12	\$ 1,593,221
Females	<u>27</u>	<u>3,526,973</u>
Total	39	\$ 5,120,194

- The following table shows a history of active member valuation data.

TABLE 2
SCHEDULE OF ACTIVE MEMBER VALUATION DATA*

Valuation Date	Number	Annual Payroll	Annual Average Pay	% Increase in Average Pay
9/30/2016	67	\$5,541,686	\$82,712	(0.3)%
9/30/2017	66	5,569,651	84,389	2.0%
9/30/2018	58	4,910,933	84,671	0.3%
9/30/2019	51	4,751,963	93,176	10.0%
9/30/2020	51	4,759,183	93,317	0.2%
9/30/2021	50	4,779,545	95,591	2.4%
9/30/2022	48	4,704,968	98,020	2.5%
9/30/2023	45	4,787,674	106,393	8.5%
9/30/2024	44	4,880,136	110,912	4.2%
9/30/2025	39	5,120,194	131,287	18.4%

* Fund was closed to new members effective November 8, 2016.





SECTION II - MEMBERSHIP

3. The following table shows the number and annual retirement allowances payable to members in supernumerary status and their beneficiaries in receipt of the Retirement Fund as of the valuation date.

TABLE 3
THE NUMBER AND ANNUAL ALLOWANCES OF CLERKS AND REGISTERS
IN SUPERNUMERARY STATUS AND SPOUSES IN RECEIPT
AS OF SEPTEMBER 30, 2025

GROUP	NUMBER	ANNUAL RETIREMENT ALLOWANCES
Supernumerary Officials	74	\$ 6,282,440
Spouses Receiving Benefits	<u>20</u>	<u>723,482</u>
Total	94	\$ 7,005,922

* In addition, there is one former clerks and registers member eligible for future benefits totaling \$78,896 annually and 3 non-vested former clerks eligible for a refund of contributions.

4. Table 1 of Schedule F gives the distribution by age and by years of service of the active clerks and registers included in the valuation, while Table 2 gives the number and annual retirement allowances of supernumerary officials and spouses receiving benefits included in the valuation, distributed by age.





SECTION III - ASSETS

1. As of September 30, 2025, the total market value of assets reported by the System and used for valuation purposes amounted to \$11,494,301. The actuarial value of assets is equal to the market value of assets.
2. Schedule B shows the receipts and disbursements of the Fund for the two years preceding the valuation date and a reconciliation of the fund balances at market value.
3. The State of Alabama operates a program for Clerks and Registers consisting of the following:
 - a) Pay as you go payments directly from the Administrative Office of Courts to clerks and registers upon election of supernumerary status (retirement), and
 - b) the Clerks and Registers Supernumerary Fund (CRSF) into which each active clerk and register must contribute six percent (6%) of salary and from which payments are made to surviving spouses of those who meet minimum service requirements.





SECTION IV – COMMENTS ON VALUATION

1. Schedule A of this report contains the valuation balance sheet which shows the present and prospective assets and liabilities of the Fund as of September 30, 2025.
2. The valuation balance sheet shows that the Fund has total prospective liabilities of \$147,621,619. Of this amount, \$89,593,998 is for the prospective benefits payable on account of present supernumerary officials, spouses receiving benefits and former clerks and registers eligible for future benefits and \$58,027,621 is for the prospective benefits payable on account of present active clerks and registers.
3. Against these liabilities, the Fund has total present actuarial value of assets of \$11,494,301 as of September 30, 2025. The difference of \$136,127,318 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future. Of this amount, \$1,874,885 is the present value of future contributions expected to be made by active clerks and registers, and the balance of \$134,252,433 represents the present value of future contributions payable by the employer.
4. The determination of the employer's required contributions consists of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions of \$2,075,713 are required to provide the benefits of the Fund.
5. Prospective normal contributions of \$2,075,713 have a present value of \$13,131,161. When this amount is subtracted from \$134,252,433 which is the present value of the total future contributions to be made by the employer, there remains \$121,121,272 as the amount of future accrued liability contributions. Annual accrued liability contributions of \$11,371,300 will liquidate the unfunded actuarial accrued liability within 15 years from the valuation date.





SECTION V – CONTRIBUTIONS PAYABLE BY EMPLOYER

On the basis of the actuarial valuation prepared as of September 30, 2025, it is recommended that the employer make the following contributions:

TABLE 4
ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC)

	Supernumerary Fund	Spousal Fund	Total
Discount Rate	4.62%	4.62%	4.62%
Contributions			
Normal Cost	\$1,934,935	\$140,778	\$2,075,713
Accrued Liability Payment	<u>\$10,670,066</u>	<u>\$701,234</u>	<u>\$11,371,300</u>
Total	\$12,605,001	\$842,012	\$13,447,013





SECTION VI – ANALYSIS OF FINANCIAL EXPERIENCE

The calculation of the System’s liabilities and actuarial value of assets requires the use of several assumptions concerning the future experience of the System and its members. In each annual actuarial valuation, the experience of the System is compared with what was expected based on the actuarial assumptions. The differences between the actual and expected experience are called actuarial gains or losses depending on whether the difference decreases or increases the UAAL, respectively. The UAAL was expected to decrease from \$127,209,669 on September 30, 2024 to \$121,121,272 on September 30, 2025.

ANALYSIS OF FINANCIAL EXPERIENCE

(in thousands of dollars)

ITEM	AMOUNT OF INCREASE/ (DECREASE)
Interest (3.89%) added to previous unfunded accrued liability	\$ 4,948.5
Accrued liability contribution*	(3,888.7)
Experience:	
Valuation asset growth	\$ 55.3
Pensioners' mortality	(89.4)
Turnover and retirements	(188.0)
Salary increases	6,871.5
Method changes	0.0
COLA**	(2,324.0)
Change in Assumptions***	(11,282.7)
Data Change	0.0
Miscellaneous changes	(190.8)
Total	\$ (6,088.4)

* Equal to the estimated total employer contributions during the fiscal year (benefit payments from the general fund) less the estimated portion of contributions attributed to normal cost for the year, adjusted for interest to September 30, 2025 (\$6,671,096 – (\$2,678,169 x 1.0389)).

** (Gain) or Loss resulting from expected benefit increases during the year different from actual benefit increases.

*** The discount rate used to measure the liabilities increased from 3.89% in the previous valuation to 4.62% in the current valuation.





SECTION VII - ACCOUNTING INFORMATION

The Clerks and Registers Supernumerary Fund comes under the scope of Governmental Accounting Standards Board Statement 73 since benefits to Plan members are not paid from Plan assets. The following information is provided for informational purposes only.

1. The following is a distribution of the number of employees by type of membership, as follows:

NUMBER OF ACTIVE AND RETIRED MEMBERS AS OF SEPTEMBER 30, 2025

GROUP	NUMBER
Retirees and beneficiaries currently receiving benefits	94
Terminated employees entitled to benefits but not yet receiving benefits	1
Non-vested Inactive Members	3
Active Members	<u>39</u>
Total	137

2. The schedule of funding progress is shown below.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered ((b - a) / c)
9/30/2019	\$12,617,024	\$147,969,560	\$135,352,536	8.5%	\$4,751,963	2848.3%
9/30/2020	13,185,441	161,457,134	148,271,693	8.2%	4,759,183	3115.5%
9/30/2021	13,443,947	156,559,388	143,115,441	8.6%	4,779,545	2994.3%
9/30/2022	10,946,076	125,199,167	114,253,091	8.7%	4,704,968	2428.4%
9/30/2023	10,810,875	126,897,028	116,086,153	8.5%	4,787,674	2424.7%
9/30/2024	11,555,416	138,765,085	127,209,669	8.3%	4,880,136	2606.7%
9/30/2025	11,494,301	132,615,573	121,121,272	8.7%	5,120,194	2365.6%

* Each year reflects change in the discount rate (20-year high-quality tax-exempt municipal bond index rate).





SECTION VII - ACCOUNTING INFORMATION

3. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at September 30, 2025. Additional information as of the latest actuarial valuation follows.

Valuation Date	September 30, 2025
Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar Open
Remaining Amortization Period	15 Years
Asset Valuation Method	Market Value
Actuarial Assumptions	
Investment Rate of Return*	4.62%
Projected Salary Increases*	2.75%
Cost-of-Living Adjustments	2.75%
* Includes inflation at	2.50%





SECTION VIII - RISK ASSESSMENT

Overview

Actuarial Standards of Practice (ASOP) No. 51, issued by the Actuarial Standards Board, provides guidance on assessing and disclosing risks related to pension plan funding. This guidance is binding on all credentialed actuaries practicing in the United States. This standard was issued as final in September 2017 with application to measurement dates on or after November 1, 2018.

Under ASOP 51, the actuary is called upon to identify the significant risks to the pension plan and provide information to help those sponsoring and administering the plan understand the implications of these risks. In this section, we identify some of the key risks for the System and provide information to help interested parties better understand these risks.

Investment Risk

The investment return on assets is the most obvious risk – and usually the largest risk – to funding a pension plan. In the case of the Clerks and Registers Supernumerary Fund, payments to supernumerary members, other than spousal death benefits, are made directly from the Administrative Office of Courts. Since the liabilities of the Fund are based on the 20-year high-quality tax-exempt municipal bond index rate, there is little investment risk associated with the program.

Mortality Risk

The mortality assumption is a significant assumption for valuation results, second only to the investment assumption in most situations. The System's mortality assumption utilizes a mortality table (with separate rates for males and females, as well as different rates by status) and a generational projection scale for how the mortality table is expected to improve through time.

The future, however, is unknown, and actual mortality improvements may occur at a faster rate than expected, or at a slower rate than expected. Although changes in mortality will affect the benefits paid, this assumption is reviewed carefully during the regular experience studies that the System conducts so that incremental changes can be made to smoothly reflect emerging experience. The next experience investigation will be for the five-year period ending September 30, 2025.

Contribution Risk

The System is funded primarily by member contributions to the trust fund, together with the earnings on those accumulated contributions in order to pay for benefits to spouses of deceased members. Employer contributions are made directly to supernumerary members as the benefits become payable. Each year in the valuation, the Actuarial Determined Employer Contribution (ADEC) amounts are determined. This amount is the sum of the amounts for the normal cost for the plan, and the amount necessary to amortize the UAAL. **Since the ADEC amount has never been made by the plan sponsors, and that procedure is expected to continue, there is a high risk that not enough sufficient assets will be accumulated to pay the promised benefits.**





SECTION VIII - RISK ASSESSMENT

Liquidation Risk

Under the revised Actuarial Standards of Practice (ASOP) No. 4 effective for valuations after February 15, 2023, we include a low-default-risk obligation measure of the System's liability in our funding valuation report. This is an informational disclosure as described below and would not be appropriate for assessing the funding progress or health of the plan. This measure uses the unit credit cost method and reflects all the assumptions and provisions of the funding valuation except that the discount rate is derived from considering low-default-risk fixed income securities.

We considered the FTSE Pension Discount Curve based on market bond rates published by the Society of Actuaries as of September 30, 2025 and with the 30-year spot rate used for all durations beyond 30. Using these assumptions, we calculate a liability of \$128.9 million. This amount approximates the termination liability if the plan (or all covered employment) ended on the valuation date and all of the accrued benefits had to be paid with cash-flow matched bonds. This assurance of funded status and benefit security is typically more relevant for corporate plans than for governmental plans since governments rarely have the need or option to completely terminate a plan.





SCHEDULE A - VALUATION BALANCE SHEET AND SOLVENCY TEST

VALUATION BALANCE SHEET SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF THE ALABAMA CLERKS AND REGISTERS SUPERNUMERARY FUND AS OF SEPTEMBER 30, 2025

	Supernumerary Fund	Spousal Fund	Total Fund
Assets			
Actuarial Value of Present Assets	\$ 0	\$ 11,494,301	\$ 11,494,301
Present value of future clerks' and registers' contributions	0	1,874,885	1,874,885
Present value of future employer contributions			
Employer Normal contributions	\$ 14,099,947	\$ (968,786)	\$ 13,131,161
Unfunded accrued liability contributions	<u>114,811,972</u>	<u>6,309,300</u>	<u>121,121,272</u>
Total prospective employer contributions	<u>128,911,919</u>	<u>5,340,514</u>	<u>134,252,433</u>
Total Assets	\$ 128,911,919	\$ 18,709,700	\$ 147,621,619
Liabilities			
Present value of benefits payable on account of:			
Retired supernumerary officials	\$ 73,112,263	\$ 7,790,573	\$ 80,902,836
Spouses Receiving Benefits	0	7,531,276	7,531,276
Former clerks and registers eligible for future benefits	1,159,886	0	1,159,886
Present active clerks and registers	<u>54,639,770</u>	<u>3,387,851</u>	<u>58,027,621</u>
Total Liabilities	\$ 128,911,919	\$ 18,709,700	\$ 147,621,619





SCHEDULE A - VALUATION BALANCE SHEET AND SOLVENCY TEST

SOLVENCY TEST

Valuation Date	Aggregate Accrued Liabilities For*			Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets		
	(1)	(2)	(3)		(1)	(2)	(3)
	Active Member Contributions	Retirants and Beneficiaries	Active Members (Employer Financed Portion)				
9/30/2019	\$2,998,531	\$111,051,445	\$33,919,584	\$12,617,024	100%	9%	0%
9/30/2020	3,406,747	115,426,500	42,623,887	13,185,441	100%	8%	0%
9/30/2021	3,685,055	108,508,764	44,365,569	13,443,947	100%	9%	0%
9/30/2022	3,889,198	90,136,564	31,173,405	10,946,076	100%	8%	0%
9/30/2023	3,806,632	90,843,584	32,246,812	10,810,875	100%	8%	0%
9/30/2024	4,122,647	95,378,676	39,263,762	11,555,416	100%	8%	0%
9/30/2025	4,026,277	89,593,998	38,995,298	11,494,301	100%	8%	0%

* Each year reflects change in the discount rate (20-year high-quality tax-exempt municipal bond index rate).





SCHEDULE B – RECEIPTS AND DISBURSEMENTS

Receipts for the Year	YEAR ENDING	
	September 30, 2025	September 30, 2024
Contributions:		
Members	\$ 301,843	\$ 290,480
Employer*	0	0
Subtotal	\$ 301,843	\$ 290,480
Investment Income	415,321	377,639
Unrealized Gain /(Loss)	(29,767)	825,024
TOTAL	\$ 687,397	\$ 1,493,143
Disbursements for the Year		
Benefit Payments**	\$ 748,512	\$ 748,602
Refunds to Members	0	0
TOTAL	\$ 748,512	\$ 748,602
Excess of Receipts over Disbursements	(61,115)	744,541
Reconciliation of Asset Balances		
Market Value of Assets as of Beginning of Year	\$ 11,555,416	\$ 10,810,875
Excess of Receipts over Disbursements	(61,115)	744,541
Market Value of Assets as of End of Year	\$ 11,494,301	\$ 11,555,416

*No employer contributions are made to the Fund. Active members contribute 6.00% of salary for surviving spouse's benefits.

**Represents benefit payments from the fund for surviving spouse's benefits only. Benefit payments to Supernumerary officials are made on a pay-as-you-go basis from the Administrative Office of Courts.





SCHEDULE C – OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2010, submitted to and adopted by the Board on January 27, 2014. The assumed mortality tables and salary increase rates were based on the actuarial experience study prepared for the Judicial Retirement Fund as of September 30, 2021, submitted to and adopted by the Board on September 14, 2022. The combined effect of the assumptions is expected to have no significant bias.

DISCOUNT RATE: The average of the Bond Buyer General Obligation 20-year Municipal Bond Index, the Bloomberg (Barclay’s) General Obligation 20-year Municipal Bond Index, and the S&P High Grade 20-year Municipal Bond Index, 4.62% as of September 30, 2025, including inflation of 2.50%

SALARY INCREASES: 2.75% per annum for all ages, compounded annually

SEPARATIONS BEFORE ELIGIBILITY FOR SUPERNUMERARY STATUS: Representative values of the assumed annual rates of death, withdrawal and disability are as follows:

Age	Withdrawal	Annual Rate of		Disability**
		Death*		
		Male	Female	
30	0.00%	0.030%	0.017%	0.090%
35	0.00	0.041	0.026	0.110
40	0.00	0.057	0.040	0.170
45	5.50	0.090	0.062	0.300
50	2.50	0.149	0.093	0.500
55	2.50	0.232	0.135	0.880
60	2.50	0.357	0.204	1.560
64	2.50	0.529	0.307	2.250

* Rates of pre-retirement mortality are according to the Pub-2010 Teacher Employee Below Median Mortality Table adjusted by 65%; projected with the MP-2021 with an adjustment factor of 66-2/3% beginning with the year 2019.

** Disability rates turn off at retirement eligibility.





SCHEDULE C – OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

RATES OF ATTAINING SUPERNUMERARY STATUS: The assumed annual rates of becoming a Supernumerary official are as follows:

Age	Annual Rate
54 & Under	25.0%
55- 59	22.0
60-64	20.0
65-69	12.0
70-74	15.0
75+	100.0

DEATHS AFTER BECOMING A SUPERNUMERARY OFFICIAL: Rates of mortality for the period after becoming a supernumerary official are according to the Pub-2010 Family of Tables projected generationally with MP-2019 Scale adjusted by 66-2/3% beginning with year 2019, and with further adjustments are used for post-retirement mortality assumptions as follows:

Group	Membership Table	Set Forward (+) / Setback (-)	Adjustment to Rates
Service Retirees	Teacher Retiree- Below Median	Male: +2, Female: +2	Male: 108% ages < 63, 96% ages > 67; Phasing down 63 -67 Female: 112% ages < 69 98% > age 74 Phasing down 69-74
Beneficiaries	Contingent Survivor Below Median	Male: +2, Female: None	None
Disabled Retirees	Teacher Disability	Male: +8, Female: +3	None

Representative values of the assumed annual rates of mortality are as follows*:

Age	Service Retirement		Disability Retirement		Beneficiaries	
	Male	Female	Male	Female	Male	Female
55	0.4320%	0.3300%	2.7850%	1.8740%	1.1080%	0.7040%
60	0.6070	0.4290	3.5240	2.1100	1.3710	0.9210
65	0.8860	0.6270	4.5990	2.5690	1.9210	1.2430
70	1.5090	1.0940	6.3470	3.4640	2.9500	1.7840
75	2.7990	1.9140	9.2590	5.0750	4.5590	2.6990
80	5.1310	3.6810	13.6030	7.8110	7.1100	4.2580
85	9.3440	7.0020	20.5880	11.8780	11.3610	7.1270
90	16.2380	12.9240	28.7230	16.7400	18.3000	12.0640

* Base mortality rates as of 2010 before application of the improvement scale





SCHEDULE C – OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

ASSETS: Market value.

PERCENT MARRIED: 100% of active members are assumed to be married with the male three years older than his spouse.

VALUATION COST METHOD: Individual entry age actuarial cost method. Actuarial gains and losses are reflected in the unfunded actuarial accrued liability.

COST OF LIVING: Increases of 2.75% annually.

EXPENSE LOAD: None.





SCHEDULE D – ACTUARIAL COST METHOD

1. The valuation is prepared on the projected benefit basis, under which the present value, at the interest rate assumed to be earned in the future, of each member's expected benefit payable at retirement or death is determined based on his age, service, sex, and compensation. The calculations take into account the probability of a member's death or termination of employment prior to becoming eligible for a benefit, as well as the probability of his terminating with a service, disability or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable on account of the active members is added to the present value of the expected future payments to retired members and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of members and beneficiaries.
2. The employer contributions required to support the benefits of the Fund are determined following a level funding approach and consist of a normal contribution and an accrued liability contribution.
3. The normal contribution is determined using the "individual entry age normal" method. Under this method, a calculation is made to determine the uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf.
4. The unfunded actuarial accrued liability contributions are determined by subtracting the present value of prospective employer normal contributions and member contributions together with the current assets held from the present value of expected benefits to be paid from the Fund.





SCHEDULE E – SUMMARY OF MAIN PLAN PROVISIONS

AS INTERPRETED FOR VALUATION PURPOSES

The following summary describes the main benefit and contribution provisions of The Alabama Clerks and Registers Supernumerary Fund as interpreted for the valuation. The Fund was closed to new members effective November 8, 2016.

1 - DEFINITIONS

A “Supernumerary Official” is a former clerk or register who has met the age and service requirements who takes the oath of office as a Supernumerary Clerk or Register. “Service” is the service, prior service, and any other previous service established as creditable in accordance with the provisions of the retirement law.

2 - BENEFITS

Supernumerary Official Status

Condition for Allowance

A clerk or register may become a supernumerary official after he or she has completed 23 years of service at any age, or according to the following table:

Age	Years of Service
55 to 59	18
60	17
61	16
62 to 64	15
65 to 69	12
70	10

Amount of Allowance

A supernumerary official is paid 75% of the State salary payable to the clerk or register on the date he or she attains a supernumerary status. Increases in allowances are granted when active State Employees receive a cost-of-living salary increase.





SCHEDULE E – SUMMARY OF MAIN PLAN PROVISIONS

Disability Allowance

Condition for Allowance

A disability supernumerary allowance may be granted to a member who becomes totally and permanently disabled while in office and who has 5 years or more of service.

Amount of Allowance

75% of the State salary payable to the clerk or register on the date he or she attains supernumerary status.

Benefits Payable on Separation from Service with 12 or more Years of Service

Condition for Allowance

Any clerk or register who ceases to be in service who has met the service eligibility for supernumerary status (12 or more years) is entitled to be commissioned a supernumerary clerk or register upon attaining the specified age.

Amount of Allowance

75% of the State salary payable to the clerk or register on the date he or she attains supernumerary status.

Benefits Payable on Separation From Service with less than 12 Years of Service

Refund employee contributions plus accrued interest.

Benefits Payable upon Death in Active Service

Condition for Allowance

In case of the death of a clerk or register in active service who is eligible for supernumerary status, a spousal benefit is payable to the surviving spouse.

Amount of Allowance

3% at the salary payable from the State treasury for the position of circuit clerk for each year of service, not to exceed 30%.





SCHEDULE E – SUMMARY OF MAIN PLAN PROVISIONS

Benefits Payable upon Death in Supernumerary Status

Condition for Allowance Surviving spouses of clerks and registers who assume supernumerary status on or after January 16, 1989, are eligible for spousal benefits upon the death of the clerk or register.

Amount of Allowance 3% at the salary payable from the State treasury for the position of circuit clerk for each year of service, not to exceed 30%.

Form of Payment Modified cash refund.

3 - CONTRIBUTIONS

Member Contributions Each active clerk and register contributes 6% of salary.





SCHEDULE F – SCHEDULE OF MEMBERSHIP DATA

TABLE 1

NUMBER OF ACTIVE CLERKS AND REGISTERS
BY AGE AND SERVICE AS OF SEPTEMBER 30, 2025

Age	Years of Service							Total
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & Up	
Under 30								
30 to 34								
35 to 39		1						1
40 to 44								
45 to 49			4					4
50 to 54		2	2	4				8
55 to 59		3	3	2				8
60 to 64		1	6	1				8
65 to 69		1	4	2	1			8
70 & Up				1		1		2
Total		8	19	10	1	1		39

Average Age: 58.28

Average Service: 14.47





SCHEDULE F – SCHEDULE OF MEMBERSHIP DATA

TABLE 2

**NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF SUPERNUMERARY OFFICIALS AND SPOUSES
RECEIVING BENEFITS AS OF SEPTEMBER 30, 2025**

Age	Number of Members	Total Annual Benefits
Under 50	1	\$ 36,666
50 - 54	0	0
55 - 59	1	93,977
60 - 64	5	352,568
65 - 69	15	1,293,806
70 - 74	24	1,966,319
75 - 79	15	1,238,311
80 - 84	13	896,240
85 - 89	11	688,083
90 - 94	8	403,286
95 & Over	1	36,666
Total	94	\$ 7,005,922

Average Age: 76.3





SCHEDULE G – SPOUSAL FUND PROJECTION

PROJECTIONS SPOUSAL BENEFITS ONLY

Fiscal Year End 9/30/YYYY	Amounts for Year Ending on Valuation Date				Market Value of Assets (MVA) (6)*	Actuarial Accrued Liability (AAL) (7)	Unfunded AAL (UAAL) (8) = (6) - (7)	Funded Ratio (9) = (6) ÷ (7)
	Projected Member Contribution (2)	Projected Employer Contribution (3)	Estimated Benefit Payments (4)	4.62% Assumed Return (5)				
2025	301,843	-	(748,512)	415,321	11,494,301	17,803,601	6,309,300	64.56%
2026	292,512	-	(738,329)	520,855	11,569,339	18,014,928	6,445,589	64.22%
2027	275,730	-	(788,897)	522,783	11,578,955	18,176,343	6,597,388	63.70%
2028	255,523	-	(835,717)	521,697	11,520,457	18,288,268	6,767,811	62.99%
2029	233,732	-	(878,892)	517,510	11,392,808	18,351,298	6,958,490	62.08%
2030	207,520	-	(918,536)	510,109	11,191,900	18,364,534	7,172,634	60.94%
2031	182,511	-	(955,061)	499,421	10,918,772	18,325,147	7,406,375	59.58%
2032	159,395	-	(988,632)	485,508	10,575,043	18,237,543	7,662,500	57.99%
2033	139,611	-	(1,019,383)	468,474	10,163,745	18,104,480	7,940,735	56.14%
2034	111,587	-	(1,047,625)	448,187	9,675,893	17,922,553	8,246,660	53.99%
2035	88,673	-	(1,073,672)	424,530	9,115,424	17,695,560	8,580,136	51.51%
2036	74,027	-	(1,097,375)	397,760	8,489,836	17,427,570	8,937,734	48.71%
2037	62,077	-	(1,118,618)	368,100	7,801,395	17,119,947	9,318,552	45.57%
2038	49,478	-	(1,137,379)	335,578	7,049,072	16,773,222	9,724,150	42.03%
2039	39,224	-	(1,153,538)	300,217	6,234,975	16,389,172	10,154,197	38.04%
2040	32,196	-	(1,166,785)	262,143	5,362,529	15,970,300	10,607,771	33.58%
2041	25,537	-	(1,176,790)	221,455	4,432,731	15,518,642	11,085,911	28.56%
2042	20,720	-	(1,183,210)	178,242	3,448,482	15,036,225	11,587,743	22.93%
2043	15,974	-	(1,185,705)	132,604	2,411,356	14,525,509	12,114,153	16.60%
2044	13,061	-	(1,183,951)	84,662	1,325,128	13,991,242	12,666,114	9.47%
2045	8,639	-	(1,177,677)	34,521	190,611	13,436,665	13,246,054	1.42%
2050	2,087	-	(1,078,844)	(243,887)	(6,067,280)	10,519,654	16,586,934	0.00%
2055	177	-	(906,643)	(558,524)	(13,106,136)	7,680,593	20,786,729	0.00%

