

Judicial Retirement Fund of Alabama

Schedules of Employer Allocations

&

Pension Amounts by Employer

As of and for the Fiscal Year Ended September 30, 2022

David G. Bronner, Ph.D., J.D., Chief Executive Officer

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Judicial Retirement Fund of Alabama
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INDEPENDENT AUDITORS' REPORT

To the Board of Control
Judicial Retirement Fund of Alabama

Opinion

We have audited the accompanying schedule of employer allocations ("schedule") of the Judicial Retirement Fund of Alabama (JRF) as of and for the year ended September 30, 2022, and the related notes. We have also audited the total for all entities of the columns titled 2022 net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer of the Judicial Retirement Fund of Alabama as of and for the year ended September 30, 2022 and related notes.

In our opinion, the schedule referred to above presents fairly, in all material respects, the employer allocations as of and for the year ended September 30, 2022 and the 2022 net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities of the Judicial Retirement Fund of Alabama as of and for the year ended September 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Information

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

In preparing the schedule, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TRS's ability to continue as a going concern within one year after the date that the schedule is available to be issued.

Auditors' Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TRS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JRF's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the schedule of employer allocations and specified column totals included in the accompanying schedule of pension amounts by employer of the Judicial Retirement Fund of Alabama. The reconciliation of member contributions to the calculation of salary amounts for the fiscal year ended September 30, 2022 and the schedule of remaining deferred outflows/(inflows) as of and for the fiscal year ended September 30, 2023, collectively referred to as "the supplemental schedules," are the responsibility of management and are presented for purposes of additional analysis and are not in the accompanying schedule of pension amounts by employer. The supplemental schedules have not been subjected to the auditing procedures applied in the audit of the schedule of employer allocations and specified column totals included in the accompanying schedule of pension amounts by employer and, accordingly, we do not express an opinion or provide any assurance on these schedules.

Other Matters

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Retirement Systems of Alabama as of and for the year ended September 30, 2022, and our report thereon, dated January 20, 2023, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of JRF management, members of the Board of Control, JRF plan employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

April 28, 2023
Montgomery, Alabama

Judicial Retirement Fund of Alabama
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022

County	2022 Calculated Salary	2022 Employer Allocation Percentage
Autauga	\$ 128,520	0.23094%
Baldwin	139,000	0.24977%
Barbour	69,300	0.12453%
Bibb	97,706	0.17557%
Blount	90,521	0.16266%
Bullock	52,499	0.09434%
Butler	96,490	0.17338%
Calhoun	114,798	0.20628%
Chambers	92,230	0.16573%
Cherokee	112,117	0.20146%
Chilton	81,480	0.14641%
Choctaw	102,364	0.18394%
Clarke	87,654	0.15751%
Clay	70,440	0.12657%
Cleburne	104,523	0.18782%
Coffee	86,143	0.15479%
Colbert	75,552	0.13576%
Conecuh	97,033	0.17436%
Coosa	78,850	0.14169%
Covington	100,667	0.18089%
Crenshaw	96,397	0.17322%
Cullman	107,209	0.19264%
Dale	87,370	0.15700%
Dallas	126,082	0.22656%
DeKalb	110,016	0.19769%
Elmore	97,999	0.17610%
Escambia	88,000	0.15813%
Etowah	136,800	0.24582%
Fayette	100,421	0.18045%
Franklin	132,319	0.23776%
Geneva	95,662	0.17190%
Greene	80,851	0.14528%
Hale	114,565	0.20586%
Henry	149,023	0.26778%
Houston	131,570	0.23642%
Jackson	111,913	0.20110%

The accompanying notes are an integral part of the Schedules of Employer Allocations and Pension Amounts by Employer. See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022

County	2022 Calculated Salary	2022 Employer Allocation Percentage
Jefferson	301,019	0.54088%
Lamar	115,361	0.20729%
Lauderdale	86,373	0.15520%
Lawrence	81,686	0.14678%
Lee	122,802	0.22066%
Limestone	114,762	0.20622%
Lowndes	104,135	0.18712%
Macon	71,347	0.12820%
Madison	108,099	0.19424%
Marengo	141,090	0.25353%
Marion	101,444	0.18229%
Marshall	81,851	0.14708%
Mobile	177,400	0.31877%
Monroe	111,001	0.19946%
Montgomery	116,369	0.20910%
Morgan	95,124	0.17093%
Perry	73,341	0.13179%
Pickens	68,438	0.12298%
Pike	108,024	0.19411%
Randolph	61,944	0.11131%
Russell	108,389	0.19476%
Shelby	139,000	0.24977%
St. Clair	98,138	0.17634%
Sumter	80,672	0.14496%
Talladega	59,887	0.10761%
Tallapoosa	85,853	0.15427%
Tuscaloosa	164,613	0.29579%
Walker	75,572	0.13580%
Washington	109,621	0.19698%
Wilcox	69,400	0.12471%
Winston	113,887	0.20464%
Total for State Support Provided to the Counties		12.56168%
		\$ 6,990,726
State Employer		87.43832%
Total State of Alabama		100.00000%

The accompanying notes are an integral part of the Schedules of Employer Allocations and Pension Amounts by Employer. See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Schedule of Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2023 with Net Pension Liability as of September 30, 2022

County	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense			
	2022 Net Pension Liability	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Resources	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Resources	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension Expense	Total Employer Pension Expense
Autauga	\$ 478,637	\$ 11,699	\$ 95,008	\$ 20,761	\$ 2,667	\$ 130,135	\$ 7,651	\$ -	\$ -	\$ 17,120	\$ 24,771	\$ 67,020	\$ (18,616)	\$ 48,404
Baldwin	517,664	12,652	102,755	22,454	2,441	140,302	8,274	-	-	29,058	37,332	72,484	(15,627)	56,857
Barbour	258,096	6,308	51,231	11,195	0	68,734	4,125	-	-	16,526	20,651	36,138	2,125	38,263
Bibb	363,880	8,894	72,229	15,784	3,833	100,740	5,816	-	-	2,343	8,159	50,950	292	51,242
Blount	337,123	8,240	66,918	14,623	681	90,462	5,389	-	-	22,702	28,091	47,205	(5,644)	41,561
Bullock	195,525	4,779	38,811	8,481	0	52,071	3,125	-	-	19,987	23,112	27,377	(8,652)	18,725
Butler	359,341	8,783	71,328	15,587	2,077	97,775	5,744	-	-	26,998	32,742	50,317	(10,979)	39,338
Calhoun	427,528	10,449	84,863	18,544	0	113,856	6,834	-	-	27,853	34,687	59,865	(6,943)	52,922
Chambers	343,486	8,395	68,181	14,899	1,811	93,286	5,490	-	-	32,940	38,430	48,095	(11,988)	36,107
Cherokee	417,538	10,205	82,880	18,111	0	111,196	6,674	-	-	35,931	42,605	58,464	(6,766)	51,698
Chilton	303,444	7,417	60,233	13,162	0	80,812	4,850	-	-	33,501	38,351	42,487	(961)	41,526
Choctaw	381,227	9,318	75,673	16,536	1,908	103,435	6,094	-	-	28,179	34,273	53,380	(9,141)	44,239
Clarke	326,449	7,979	64,799	14,160	0	86,938	5,218	-	-	25,248	30,466	45,709	(9,728)	35,981
Clay	262,324	6,412	52,071	11,379	0	69,862	4,193	-	-	30,872	35,065	36,730	(14,507)	22,223
Cleburne	389,268	9,514	77,269	16,885	0	103,668	6,222	-	-	39,862	46,084	54,505	(16,274)	38,231
Coffee	320,812	7,841	63,680	13,915	0	85,436	5,128	-	-	69,208	74,336	44,923	(31,319)	13,604
Colbert	281,371	6,877	55,852	12,205	491	75,425	4,497	-	-	28,632	33,129	39,396	(10,469)	28,927
Conecuh	361,372	8,832	71,732	15,675	0	96,239	5,776	-	-	26,230	32,006	50,599	(27,744)	22,855
Coosa	293,661	7,177	58,291	12,738	513	78,719	4,694	-	-	25,416	30,110	41,118	(10,319)	30,799
Covington	374,906	9,163	74,418	16,262	1,320	101,163	5,992	-	-	25,359	31,351	52,494	(9,042)	43,452
Crenshaw	359,009	8,775	71,263	15,572	1,569	97,179	5,738	-	-	38,505	44,243	50,267	(16,410)	33,857
Cullman	399,258	9,758	79,252	17,318	0	106,328	6,382	-	-	24,691	31,073	55,905	(6,989)	48,916
Dale	325,392	7,953	64,590	14,114	796	87,453	5,201	-	-	17,721	22,922	45,560	(7,151)	38,409
Dallas	469,559	11,477	93,207	20,368	23,179	148,231	7,505	-	-	1,454	8,959	65,745	(9,013)	56,732
DeKalb	409,725	10,014	81,329	17,772	3,505	112,620	6,549	-	-	36,438	42,987	57,370	(11,330)	46,040
Elmore	364,978	8,921	72,447	15,831	0	97,199	5,834	-	-	37,720	43,554	51,104	(15,934)	35,170
Escambia	327,734	8,010	65,055	14,216	3,850	91,131	5,238	-	-	11,335	16,573	45,888	(5,744)	40,144
Etowah	509,477	12,452	101,130	22,099	4,926	140,607	8,143	-	-	23,683	31,826	71,337	(31,544)	39,793
Fayette	373,994	9,141	74,237	16,222	5,243	104,843	5,978	-	-	47,367	53,345	52,366	(52,469)	(103)
Franklin	492,772	12,044	97,814	21,374	1,843	133,075	7,876	-	-	50,158	58,034	68,999	(16,627)	52,372
Geneva	356,273	8,708	70,719	15,454	4,970	99,851	5,695	-	-	32,362	38,057	49,884	(1,395)	48,489
Greene	301,102	7,359	59,768	13,061	0	80,188	4,813	-	-	38,960	43,773	42,161	(15,420)	26,741
Hale	426,657	10,428	84,691	18,507	2,753	116,379	6,820	-	-	30,154	36,974	59,740	(11,660)	48,080
Henry	554,990	13,565	110,164	24,073	32,211	180,013	8,871	-	-	11,749	20,620	77,710	6,553	84,263
Houston	489,995	11,976	97,263	21,254	18,976	149,469	7,832	-	-	15,515	23,347	68,609	(2,220)	66,389
Jackson	416,792	10,187	82,732	18,079	1,570	112,568	6,662	-	-	38,441	45,103	58,359	(14,020)	44,339
Jefferson	1,121,006	27,400	222,518	48,627	0	298,545	17,918	-	-	101,142	119,060	156,964	(42,897)	114,067
Lamar	429,621	10,501	85,279	18,635	24,424	138,839	8,868	-	-	44,029	50,897	60,156	(27,060)	33,096
Lauderdale	321,661	7,862	63,849	13,952	931	86,594	5,141	-	-	44,545	49,686	45,039	(15,033)	30,006
Lawrence	304,210	7,435	60,385	13,195	2,655	83,670	4,862	-	-	22,488	27,350	42,597	(8,859)	33,738
Lee	457,331	11,178	90,779	19,837	2,883	124,677	7,310	-	-	24,768	32,078	64,036	(5,865)	58,171
Limestone	427,404	10,446	84,839	18,539	921	114,745	6,832	-	-	31,307	38,139	59,845	(12,736)	47,109
Lowndes	387,818	9,479	76,981	16,822	9,009	112,291	6,199	-	-	30,218	36,417	54,303	(166)	54,137
Macon	265,702	6,494	52,741	11,525	0	70,760	4,247	-	-	106,041	110,288	37,205	(62,541)	(25,336)
Madison	402,574	9,839	79,910	17,462	0	107,211	6,435	-	-	46,769	53,204	56,371	(14,447)	41,924

The accompanying notes are an integral part of the Schedules of Employer Allocations and Pension Amounts by Employer. See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Schedule of Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2023 with Net Pension Liability as of September 30, 2022

County	Deferred Outflows of Resources						Deferred Inflows of Resources					Pension Expense		
	2022 Net Pension Liability	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Marengo	525,456	12,843	104,302	22,792	6,824	146,761	8,399	-	-	12,547	20,946	73,572	(1,091)	72,481
Marion	377,807	9,234	74,994	16,388	9,220	109,836	6,039	-	-	8,547	14,586	52,900	(22,605)	30,295
Marshall	304,832	7,451	60,509	13,222	0	81,182	4,872	-	-	31,793	36,665	42,681	(13,462)	29,219
Mobile	660,670	16,148	131,142	28,657	2,272	178,219	10,560	-	-	33,020	43,580	92,506	(12,563)	79,943
Monroe	413,393	10,104	82,058	17,931	0	110,093	6,608	-	-	37,574	44,182	57,883	(31,349)	26,534
Montgomery	433,372	10,592	86,023	18,798	6,496	121,909	6,927	-	-	35,064	41,991	60,683	(3,201)	57,482
Morgan	354,263	8,659	70,320	15,366	0	94,345	5,663	-	-	28,793	34,456	49,605	(11,977)	37,628
Perry	273,143	6,676	54,218	11,848	540	73,282	4,366	-	-	27,789	32,155	38,245	(10,624)	27,621
Pickens	254,884	6,230	50,594	11,056	599	68,479	4,074	-	-	23,400	27,474	35,687	(9,659)	26,028
Pike	402,305	9,833	79,857	17,450	10,726	117,866	6,430	-	-	34,712	41,142	56,330	(5,661)	50,669
Randolph	230,697	5,639	45,793	10,007	0	61,439	3,687	-	-	26,421	30,108	32,301	(10,103)	22,198
Russell	403,652	9,866	80,124	17,509	19,138	126,637	6,452	-	-	35,664	42,116	56,519	2,527	59,046
Shelby	517,664	12,652	102,755	22,454	32,075	169,936	8,274	-	-	32,288	40,562	72,484	3,267	75,751
St. Clair	365,475	8,933	72,546	15,853	5,090	102,422	5,842	-	-	39,915	45,757	51,176	(10,470)	40,706
Sumter	300,438	7,343	59,636	13,032	1,481	81,492	4,802	-	-	23,678	28,480	42,068	(9,394)	32,674
Talladega	223,028	5,451	44,271	9,674	0	59,396	3,565	-	-	93,122	96,687	31,228	(29,825)	1,403
Tallapoosa	319,734	7,815	63,467	13,869	17,598	102,749	5,111	-	-	16,501	21,612	44,768	24,237	69,005
Tuscaloosa	613,043	14,984	121,688	26,591	13,522	176,785	9,799	-	-	42,523	52,322	85,840	(15,290)	70,550
Walker	281,454	6,879	55,868	12,208	0	74,955	4,499	-	-	29,306	33,805	39,409	(9,890)	29,519
Washington	408,253	9,978	81,037	17,708	10,231	118,954	6,525	-	-	54,841	61,366	57,164	(15,785)	41,379
Wilcox	258,469	6,317	51,306	11,211	0	68,834	4,131	-	-	28,233	32,364	36,189	(17,918)	18,271
Winston	424,129	10,366	84,189	18,397	0	112,952	6,779	-	-	36,555	43,334	59,387	(12,933)	46,454
Total for State Support Provided to the Counties	26,034,847	636,329	5,167,861	1,129,285	299,768	7,233,243	416,139	-	-	2,203,811	2,619,950	3,645,401	(847,048)	2,798,353
State Employer	181,221,243	4,429,305	35,972,024	7,860,634	1,985,365	50,247,328	2,896,629	-	-	81,322	2,977,951	25,374,632	847,048	26,221,680
Total State of Alabama	\$ 207,256,090	\$ 5,065,634	\$ 41,139,885	\$ 8,989,919	\$ 2,285,133	\$ 57,480,571	\$ 3,312,768	\$ -	\$ -	\$ 2,285,133	\$ 5,597,901	\$ 29,020,033	\$ -	\$ 29,020,033

The accompanying notes are an integral part of the Schedules of Employer Allocations and Pension Amounts by Employer. See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Notes to the Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2022

1) Plan Description

The Judicial Retirement Fund of Alabama (JRF), a cost-sharing multiple-employer public employee retirement plan, was established as of September 18, 1973, pursuant to the *Code of Alabama 1975, Title 12, Chapter 18* (Act 1163 of the Legislature of 1973) for the purpose of providing retirement allowances and other specified benefits for any Justice of the Supreme Court of Alabama, Judge of the Court of Civil Appeals, Judge of the Court of Criminal Appeals, Judge of the Circuit Court, or office holder of any newly created judicial office receiving compensation from the State Treasury. The *Code of Alabama 1975, Title 12, Chapter 18, Articles 3 & 4* (Act 1205 of the Legislature of 1975) enlarged the scope and coverage of the JRF to include District and Probate Judges, respectively. The *Code of Alabama 1975, Title 12, Chapter 18, Article 7* (Act 498 of the Legislature of 2015) established the Judges' and Clerks' Plan within the JRF for any Judge or Clerk who was first elected or appointed on or after November 8, 2016, and was not a member of the JRF or the Clerks' and Registers' Supernumerary Fund prior to that date. The *Code of Alabama 1975, Section 12-17-227* (Act 498 of the Legislature of 2015) established the District Attorneys' Plan within the JRF for any District Attorney serving in the capacity of District Attorney on or after November 8, 2016. The responsibility for the general administration and operation of the JRF is vested in the Board of Control of the ERS. The ERS Board of Control consists of 13 trustees as follows:

- 1) The Governor, ex officio.
- 2) The State Treasurer, ex officio.
- 3) The State Personnel Director, ex officio.
- 4) The State Director of Finance, ex officio.
- 5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
- 6) Eight members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
 - a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency each of whom is an active beneficiary of ERS.
 - b. Two vested active state employees.
 - c. One vested active employees of an employer participating in ERS pursuant to § 36-27-6.
 - d. One vested active employee of a county participating in the ERS pursuant to § 36-27-6.
 - e. One vested active employee or retired member of an employer participating in the ERS pursuant to § 36-27-6.
 - f. One vested active employee of an employer other than a municipality, city or county participating in the ERS pursuant to § 36-27-6.

The JRF serves 68 units. These participating units include 67 counties and the State of Alabama.

Judicial Retirement Fund of Alabama
Notes to the Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2022

Member and Employer Contributions

JRF members contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, JRF members were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, JRF members are required by statute to contribute 8.50% of earnable compensation. Group 3 members of the JRF contribute 8.50% of earnable compensation to the JRF as required by statute.

1) Plan Description, continued

Pension Benefits

The JRF benefits vest from five to eighteen years. Except for justices or judges who were either disabled, elected prior to July 30, 1979, or have at least 25 years of creditable service, no justice or judge is eligible to receive judicial service retirement pay prior to attaining age 60. Service retirement benefits for justices and judges are dependent upon the particular office held in the judicial branch of government. A retirement benefit is payable upon the request of any member who has: (1) 25 years of creditable service (regardless of age), (2) completed 12 years of creditable service and has attained age 65, (3) completed 15 years of creditable service and whose age plus service equals or exceeds 77, (4) completed 10 years of creditable service and has attained age 70 or (5) been elected prior to July 30, 1979, and has 18 years of service (regardless of age). A member eligible to retire who has not requested his or her retirement benefit to commence at the end of the term in which the member's 70th birthday occurs is entitled only to the refund of his or her contributions (except for members with at least 25 years of creditable service). The service retirement benefit for circuit, appellate, and probate judges is 75% of the member's salary at the time of separation from service. The service retirement benefit for a district judge is 75% of the position's salary immediately prior to retirement.

Act 498 of the Legislature of 2015 established a new group (Group 3) of members within the JRF which consists of all justices, judges, and circuit clerks first elected or appointed on or after November 8, 2016, and district attorneys serving in the capacity of district attorney on or after November 8, 2016. Group 3 members are eligible for retirement after age 62 with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. A district attorney who has Tier 1 ERS transferred service as an assistant or deputy district attorney is eligible for service retirement with 25 years of creditable service, regardless of age. Service and disability retirement benefits are calculated using a retirement formula. Group 3 members who are judges or justices are allowed 4% of their average final compensation (highest 5 of the last 10 years) for each year of creditable service up to 75% of their average final compensation. Group 3 members who are clerks or district attorneys are allowed 3% of their average final compensation (highest 5 of the last 10 years) for each year of creditable service up to 80% of their average final compensation.

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2) Measurement Focus and Basis of Accounting

The schedules are presented in accordance with the standards issued by the Governmental Accounting Standards Board (GASB). As prescribed by GASB, they are reported using the economic resources measurement focus and the accrual basis of accounting.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the JRF and additions to/deductions from the fiduciary net position of the JRF have been determined on the same basis as they are reported. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the reported amounts and disclosure in the financial statements. Actual results may differ from these estimates.

3) Net Pension Liability

The net pension liability of \$207,256,090 was measured as of September 30, 2022. The total pension liability is based on the actuarial valuation as of September 30, 2021. The expected total pension liability is determined as of September 30, 2022, using standard roll-forward techniques as follows (amounts in thousands):

	Expected	Actual
Total Pension Liability		
as of 9/30/2021 (a)	\$ 503,881	\$ 499,116
Expected Rate of Return (b)	7.40%	7.40%
Entry Age Normal Cost* for		
10/1/2021 - 9/30/2022 (c)	\$ 10,275	\$ 10,275
Actual Benefit Payments (including refunds) for		
10/1/2021 - 9/30/2022 (d)	\$ 40,867	\$ 40,867
Total Pension Liability		
as of 9/30/2022	\$ 509,064	\$ 504,805
[(a) x (1 + (b))] + (c) - [(d) x (1 + 0.5 x (b))]		
Difference between Actual Before and After		
Experience Study - Assumption Change (Gain)/Loss		\$ (4,259)

*Also called the Service Cost.

Judicial Retirement Fund of Alabama
Notes to the Schedules of Employer Allocations and Pension Amounts by Employer
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3) Net Pension Liability, continued

The components of the net pension liability determined in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans*, as of September 30, 2022, were as follows:

Total Pension Liability	\$ 504,805,472
Less: Plan Net Position	<u>(297,549,382)</u>
Net Pension Liability	<u>\$ 207,256,090</u>

**Plan Net Position as a Percentage
of the Total Pension Liability 58.94%**

4) Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected Salary Increases	2.75% - 3.50%
Investment Rate of Return	7.4%, net of pension plan investment expense, includes inflation

The actuarial assumptions used in the actuarial valuation as of September 30, 2021, were based on the results of an investigation of the economic and demographic experience for the JRF based upon participant data as of September 30, 2020, completed by the RSA and its actuaries. The purpose of the investigation was to assess the reasonableness of the actuarial assumptions and methods currently used by the RSA. This investigation resulted in changes to the actuarial assumptions. The Board of Control accepted and approved these changes in September 2021 which became effective at the beginning of fiscal year 2020.

The assumed investment rates of return used to prepare the actuarial valuations as of September 30, 2021, was 7.40% for the JRF. The Board of Control accepted and approved the new assumed investment rate of return in September 2021 which became effective September 30, 2020. The new assumed investment rate of return was used to measure the total pension liability as of September 30, 2021.

Mortality rates for the JRF were based on the Pub-2010 Teacher tables with the following adjustments, projected generationally using scale MP-2020 adjusted by 66-2/3% beginning with year 2019:

Group	Membership Table	Set Forward (+)/Setback(-)	Adjustmenet 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

Judicial Retirement Fund of Alabama
Notes to the Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2022

4) Actuarial Assumptions, continued

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 as follows:

	Target Allocation	Long-Term Expected Rate of Return*
Fixed Income	22.00%	2.80%
U.S. Large Stocks	39.00%	8.00%
U.S. Mid Stocks	11.00%	10.00%
U.S. Small Stocks	5.00%	11.00%
International Developed Market Stocks	12.00%	9.50%
International Emerging Market Stocks	3.00%	11.00%
Alternatives	1.00%	9.00%
Real Estate	2.00%	6.50%
Cash	5.00%	1.50%
Total	100.00%	

*Includes assumed rate of inflation of 2.00%.

The discount rate used to measure the total pension liability was 7.40%. 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, components of the pension plan's fiduciary net position were 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.

The following table presents the net pension liability of the JRF calculated using the discount rate of 7.40%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
\$ 253,047,775	\$ 207,256,090	\$ 167,639,012

Judicial Retirement Fund of Alabama
Notes to the Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2022

5) Proportionate Share

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

The proportionate share percentages for the State as the employer and the State as a non-employer contributing entity have been calculated based on actual contributions to the Fund as shown in the following table:

Contribution Type	Amount	Proportionate Share
Employer Contributions related to Special Funding Employers	\$ 2,589,882	12.56168%
Employer Contributions related to State Employer	<u>18,027,446</u>	<u>87.43832%</u>
Total Employer Contributions	<u>\$ 20,617,328</u>	<u>100.00000%</u>

The proportionate share percentages for each employer in a special funding situation have been determined by allocating the total proportionate share for these employers based on the total salaries of the employees of each employer.

6) Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer (including the disclosure of the net pension liability and the unqualified audit opinion on the financial statements) is located in RSA's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. The supporting actuarial information is included in the GASB Statement No. 67 Report for the JRF prepared as of September 30, 2022. The additional financial and actuarial information is available at www.rsa-al.gov.

Judicial Retirement Fund of Alabama
Schedule of Remaining Deferred Outflows/(Inflows)
As of and for the Fiscal Year Ending September 30, 2023

County	2024	2025	2026	2027	2028	Thereafter
Autauga	\$ 31,475	\$ 24,929	\$ 13,914	\$ 35,046	\$ -	\$ -
Baldwin	30,978	23,681	12,217	36,094	-	-
Barbour	14,309	10,486	6,094	17,194	-	-
Bibb	27,575	21,275	16,925	26,806	-	-
Blount	18,768	13,867	7,118	22,618	-	-
Bullock	8,431	6,062	1,983	12,483	-	-
Butler	19,689	14,689	6,427	24,228	-	-
Calhoun	22,902	17,163	10,276	28,828	-	-
Chambers	16,014	12,303	3,447	23,092	-	-
Cherokee	19,697	14,778	6,440	27,676	-	-
Chilton	12,200	7,922	4,158	18,181	-	-
Choctaw	21,263	15,365	7,378	25,156	-	-
Clarke	16,699	12,126	6,266	21,381	-	-
Clay	8,822	6,121	3,753	16,101	-	-
Cleburne	16,750	12,042	3,943	24,849	-	-
Coffee	(4,842)	(1,040)	(3,774)	20,756	-	-
Colbert	12,526	8,958	2,852	17,960	-	-
Conecuh	18,340	13,478	8,571	23,844	-	-
Coosa	14,555	10,510	4,458	19,086	-	-
Covington	21,160	15,619	7,854	25,179	-	-
Crenshaw	15,817	11,324	2,884	22,911	-	-
Cullman	21,327	16,346	10,219	27,363	-	-
Dale	19,529	14,563	8,198	22,241	-	-
Dallas	41,928	33,685	26,032	37,627	-	-
DeKalb	21,513	15,576	5,681	26,863	-	-
Elmore	15,453	11,145	3,748	23,299	-	-
Escambia	21,838	17,623	10,626	24,471	-	-
Etowah	28,565	24,132	18,088	37,996	-	-
Fayette	15,711	11,604	(17)	24,200	-	-
Franklin	22,546	16,052	4,989	31,454	-	-
Geneva	19,712	14,072	4,743	23,267	-	-
Greene	7,879	6,269	3,049	19,218	-	-
Hale	24,110	18,084	8,185	29,026	-	-
Henry	47,843	39,074	27,645	44,831	-	-
Houston	35,761	29,806	21,978	38,577	-	-
Jackson	20,198	14,730	5,341	27,196	-	-
Jefferson	51,008	36,362	20,560	71,555	-	-
Lamar	35,094	21,766	5,526	25,556	-	-
Lauderdale	11,373	6,893	81	18,561	-	-
Lawrence	17,607	12,723	5,820	20,170	-	-
Lee	29,157	20,852	12,128	30,462	-	-
Limestone	23,066	16,903	8,260	28,377	-	-
Lowndes	26,028	17,605	7,485	24,756	-	-
Macon	(18,496)	(15,989)	(14,183)	9,140	-	-
Madison	13,858	10,378	4,075	25,696	-	-

See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Schedule of Remaining Deferred Outflows/(Inflows)
As of and for the Fiscal Year Ending September 30, 2023

County	2024	2025	2026	2027	2028	Thereafter
Marengo	40,346	29,762	18,586	37,121	-	-
Marion	29,799	23,123	14,073	28,255	-	-
Marshall	12,756	9,214	3,087	19,460	-	-
Mobile	40,072	31,120	16,654	46,793	-	-
Monroe	19,146	13,935	6,029	26,801	-	-
Montgomery	25,971	18,246	7,481	28,220	-	-
Morgan	17,593	12,863	6,207	23,226	-	-
Perry	12,201	8,722	2,770	17,434	-	-
Pickens	12,181	8,890	3,320	16,614	-	-
Pike	25,852	18,403	5,754	26,715	-	-
Randolph	8,176	6,089	2,339	14,727	-	-
Russell	30,833	19,519	9,716	24,453	-	-
Shelby	48,314	34,016	11,031	36,013	-	-
St. Clair	18,259	12,533	2,909	22,964	-	-
Sumter	16,231	11,730	5,302	19,749	-	-
Talladega	(10,777)	(13,210)	(17,682)	4,378	-	-
Tallapoosa	29,658	21,042	8,013	22,424	-	-
Tuscaloosa	40,868	29,792	12,006	41,797	-	-
Walker	9,331	7,851	4,992	18,976	-	-
Washington	18,773	13,629	(1,214)	26,400	-	-
Wilcox	10,017	7,333	2,621	16,499	-	-
Winston	19,110	14,710	7,384	28,414	-	-
Total for State Support Provided to the Counties	1,390,446	1,021,224	472,819	1,728,804	-	-
State Employer	14,377,550	11,054,723	8,394,809	13,442,295	-	-
Total State of Alabama	\$ 15,767,996	\$ 12,075,947	\$ 8,867,628	\$ 15,171,099	\$ -	\$ -

See Independent Auditors' Report.