

Judicial Retirement Fund of Alabama

Schedule of Employer Allocations

&

Pension Amounts by Employer

As of and for the Fiscal Year Ended September 30, 2018

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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

We have audited the accompanying schedule of employer allocations of the Judicial Retirement Fund of Alabama (JRF) as of and for the year ended September 30, 2018, and the related notes. We have also audited the total for all entities of the columns titled 2018 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, 2018 and related notes.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule employer allocations and specified column totals included in the schedule of pension amounts of employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the JRF's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the JRF's internal control. Accordingly, we express no such opinion. An audit also includes evaluating 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 of employer allocations and specified column totals included in the schedule of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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, 2018 and the 2018 net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities for the Judicial Retirement Fund of Alabama as of and for the year ended September 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

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, 2018 and the schedule of remaining deferred outflows/(inflows) as of and for the fiscal year ended September 30, 2019, 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, 2018, and our report thereon, dated January 31, 2019, 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.

Carri Riggs & Ingram, L.L.C.

September 17, 2019
Montgomery, Alabama

Judicial Retirement Fund of Alabama
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2018

County	2018 Calculated Salary	2018 Employer Allocation Percentage
Autauga	\$ 124,148	0.28377%
Baldwin	129,357	0.29567%
Barbour	52,501	0.12000%
Bibb	76,365	0.17455%
Blount	78,805	0.18012%
Bullock	52,501	0.12000%
Butler	90,076	0.20589%
Calhoun	99,979	0.22852%
Chambers	88,213	0.20163%
Cherokee	96,313	0.22014%
Chilton	66,431	0.15184%
Choctaw	92,737	0.21197%
Clarke	81,796	0.18696%
Clay	74,112	0.16940%
Cleburne	103,379	0.23629%
Coffee	108,775	0.24863%
Colbert	73,124	0.16714%
Conecuh	110,883	0.25345%
Coosa	75,641	0.17289%
Covington	91,246	0.20856%
Crenshaw	97,359	0.22253%
Cullman	93,997	0.21485%
Dale	78,127	0.17858%
Dallas	110,851	0.25337%
DeKalb	101,689	0.23243%
Elmore	97,868	0.22370%
Escambia	76,663	0.17523%
Etowah	146,574	0.33502%
Fayette	144,277	0.32977%
Franklin	125,947	0.28788%
Geneva	77,877	0.17800%
Greene	83,701	0.19132%
Hale	105,723	0.24165%
Henry	108,448	0.24788%
Houston	106,050	0.24240%
Jackson	106,842	0.24421%
Jefferson	292,374	0.66828%
Lamar	121,993	0.27884%
Lauderdale	87,871	0.20085%
Lawrence	75,669	0.17296%
Lee	104,675	0.23926%
Limestone	107,102	0.24480%
Lowndes	83,029	0.18978%
Macon	136,222	0.31136%
Madison	104,269	0.23833%

*The accompanying notes are an integral part of the Schedule 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, 2018

County	2018 Calculated Salary	2018 Employer Allocation Percentage
Marengo	112,396	0.25690%
Marion	107,101	0.24480%
Marshall	81,851	0.18709%
Mobile	155,831	0.35618%
Monroe	125,970	0.28793%
Montgomery	95,489	0.21826%
Morgan	90,656	0.20721%
Perry	71,543	0.16353%
Pickens	66,358	0.15167%
Pike	92,600	0.21166%
Randolph	61,945	0.14159%
Russell	82,552	0.18869%
Shelby	103,136	0.23574%
St. Clair	91,314	0.20872%
Sumter	75,642	0.17290%
Talladega	86,771	0.19833%
Tallapoosa	36,621	0.08370%
Tuscaloosa	148,928	0.34041%
Walker	72,552	0.16583%
Washington	107,021	0.24462%
Wilcox	77,342	0.17678%
Winston	106,868	0.24427%
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Total for State Support Provided to the Counties	\$ 6,592,066	15.06751%
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State Employer		84.93249%
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Total State of Alabama		100.00000%

*The accompanying notes are an integral part of the Schedule 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, 2019 with Net Pension Liability as of September 30, 2018

County	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense		
	2018 Net Pension Liability	Differences Between Expected and Actual Experience	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension			Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension			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 Pension	Total Employer Pension Expense
			Change of Assumptions	Share of Contributions	Total Outflows of Resources		Change of Assumptions	Share of Contributions	Share of Contributions				
Autauga	\$ 410,683	\$ -	\$ 20,932	\$ 20,932	\$ -	\$ 27,955	\$ 25,715	\$ 3,466	\$ 57,136	\$ 41,442	\$ (2,637)	\$ 38,805	
Baldwin	427,905	-	21,809	26,438	-	29,127	26,794	-	55,921	43,183	3,316	46,499	
Barbour	173,668	-	8,852	8,852	-	11,821	10,874	1,469	24,164	17,524	(1,119)	16,405	
Bibb	252,615	-	12,875	12,927	52	17,195	15,818	2,116	35,129	25,492	(958)	24,534	
Blount	260,676	-	13,286	22,459	-	17,744	16,322	1,645	35,711	26,305	3,295	29,600	
Bullock	173,668	-	8,852	8,852	-	11,821	10,874	1,469	24,164	17,524	(1,119)	16,400	
Butler	297,972	-	15,187	17,812	2,625	20,283	18,658	1,979	40,920	30,070	800	30,870	
Calhoun	330,723	-	11,478	28,334	11,478	22,512	20,708	-	43,220	33,375	6,999	40,374	
Chambers	291,806	-	14,873	18,284	3,411	19,863	18,272	1,254	39,389	29,446	3,647	33,093	
Cherokee	318,595	-	16,238	16,307	69	21,686	19,949	37,840	79,475	32,151	(12,213)	19,938	
Chilton	219,749	-	11,200	11,200	-	14,958	13,760	1,853	30,571	22,177	(1,155)	21,022	
Choctaw	306,771	-	15,635	25,373	9,738	20,882	19,209	-	40,091	30,959	6,799	37,758	
Clarke	270,576	-	13,791	19,260	5,469	18,418	16,942	3,049	38,409	27,305	3,040	30,345	
Clay	245,162	-	12,495	14,459	1,964	16,688	15,351	6,559	38,598	24,740	(758)	23,982	
Cleburne	341,968	-	17,429	18,679	1,250	23,277	21,413	2,268	46,958	34,510	(103)	34,407	
Coffee	359,827	-	18,340	27,985	9,645	24,493	22,531	-	47,024	36,311	6,647	42,958	
Colbert	241,891	-	12,329	12,329	-	16,465	15,146	2,044	33,655	24,409	327	24,736	
Concho	366,802	-	18,695	24,968	351	22,968	22,968	3,069	51,005	37,016	4,589	41,605	
Coosa	250,213	-	12,753	20,535	7,782	17,032	15,667	2,213	34,912	25,250	2,296	27,546	
Covington	301,836	-	15,384	31,230	15,846	20,546	18,900	8,933	48,379	30,459	592	31,051	
Crenshaw	322,054	-	16,414	29,285	12,871	21,922	20,166	-	42,088	32,501	10,179	42,680	
Cullman	310,939	-	15,848	30,200	14,352	21,165	19,470	-	40,635	31,378	10,655	42,033	
Dale	258,448	-	13,173	23,117	9,944	17,592	16,183	-	33,775	26,079	8,298	34,377	
Dallas	366,687	-	18,689	61,590	42,901	22,960	22,960	1,113	49,033	37,005	21,540	58,545	
DeKalb	336,381	-	17,145	24,988	7,843	22,897	21,063	578	44,538	33,945	8,528	42,473	
Elmore	323,747	-	16,501	19,886	3,385	22,037	20,272	17	42,326	32,670	4,089	36,759	
Escambia	253,599	-	12,925	17,615	4,690	17,262	15,879	1,467	34,608	25,591	663	26,254	
Etowah	484,853	-	24,712	24,712	-	33,004	30,359	4,099	67,462	48,929	(3,118)	45,811	
Fayette	477,255	-	24,325	27,488	3,163	32,486	29,884	910	63,280	48,161	2,419	50,580	
Franklin	416,631	-	21,235	21,338	103	26,088	26,088	3,440	57,888	42,044	(1,353)	40,691	
Geneva	257,608	-	13,130	13,130	-	16,130	16,130	2,178	35,843	25,996	(1,043)	24,953	
Greene	276,885	-	14,112	30,752	18,847	17,337	17,337	11,644	47,828	27,940	(597)	27,343	
Hale	349,725	-	17,825	29,666	11,841	23,805	21,898	1,387	47,090	35,291	3,909	39,200	
Henry	358,741	-	18,284	18,944	660	22,419	21,898	1,537	48,419	36,201	(1,079)	35,122	
Houston	350,810	-	17,880	35,918	18,038	23,879	22,463	1,381	47,226	35,401	19,404	54,805	
Jackson	353,430	-	18,014	35,741	17,727	22,130	22,130	3,581	49,769	35,665	4,938	40,603	
Jefferson	967,160	-	49,291	49,291	-	65,837	60,560	8,139	134,536	97,603	(6,217)	91,386	
Lamar	403,548	-	20,568	20,684	116	27,469	25,268	53,199	105,936	40,722	(17,468)	23,254	
Lauderdale	290,678	-	14,815	28,521	13,706	19,786	18,201	660	38,647	29,332	5,501	34,833	
Lawrence	250,314	-	12,758	14,759	2,001	17,039	15,674	6,362	39,075	25,260	(2,551)	22,709	
Lee	346,266	-	17,648	18,944	12,074	23,570	21,682	-	45,252	34,943	8,406	43,349	
Limestone	354,284	-	18,057	27,292	9,235	24,116	22,184	595	46,895	35,753	7,033	42,786	
Lowndes	274,657	-	13,999	30,765	16,766	18,696	17,198	596	36,490	27,718	6,530	34,248	
Macon	450,612	-	22,967	27,675	4,708	30,673	28,215	1,843	60,731	45,473	(717)	44,756	
Madison	344,920	-	17,580	17,580	-	23,478	21,597	3,383	48,458	34,805	(2,576)	32,229	
Marengo	371,795	-	18,950	41,945	22,995	25,508	23,280	349	48,937	37,520	13,715	51,235	
Marion	354,284	-	18,057	18,057	-	24,116	22,184	2,989	49,289	35,752	6,775	42,527	
Marshall	270,764	-	13,800	15,989	2,189	18,431	16,954	1,656	37,041	27,324	1,096	28,420	
Mobile	515,477	-	26,273	26,273	-	35,088	32,277	4,355	71,720	52,020	(3,317)	48,703	
Monroe	416,703	-	21,238	38,465	17,227	28,365	26,092	20,447	74,904	42,052	1,111	43,163	
Montgomery	315,874	-	16,099	18,839	2,740	19,779	17,779	3,151	72,631	31,876	(10,844)	21,032	
Morgan	299,882	-	15,284	21,664	6,380	20,413	18,777	1,066	40,256	30,263	2,081	32,344	
Perry	236,667	-	12,062	13,953	1,891	16,110	14,819	6,323	37,252	23,884	(1,645)	22,239	
Pickens	219,502	-	11,188	14,615	3,427	13,744	14,941	5,745	34,430	22,149	990	23,139	
Pike	306,322	-	15,613	21,587	5,974	20,851	19,181	5,851	45,883	30,910	(4,404)	26,506	
Randolph	204,914	-	10,444	10,444	-	13,948	12,831	1,727	28,506	20,679	(1,319)	19,360	
Russell	273,079	-	13,918	13,918	-	18,588	17,099	2,303	37,990	27,557	(1,755)	25,802	

The accompanying notes are an integral part of the Schedule 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, 2019 with Net Pension Liability as of September 30, 2018

County	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense		
	2018 Net Pension Liability	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension Contributions				Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension Contributions			Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Change of Assumptions	Total Deferred Inflows of Resources
		Differences Between Expected and Actual Experience	Change of Assumptions	Proportionate Share of Pension Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension Contributions				
Sibley	341,172	-	17,389	2,250	19,639	23,223	21,363	-	54,597	99,183	34,428	(17,765)	16,665
St. Clair	302,067	-	15,396	4,530	19,926	20,561	18,914	-	1,218	40,693	30,481	1,705	32,186
Sumter	250,227	-	12,754	5,441	18,195	17,033	15,668	-	819	33,520	25,250	1,866	27,116
Talladega	287,031	-	14,629	2,306	16,935	19,538	17,973	-	1,179	38,690	28,966	(683)	28,283
Tallapoosa	121,134	-	6,174	164	6,338	8,245	7,585	-	70,280	86,110	12,225	(32,751)	(20,526)
Tuscaloosa	492,654	-	25,110	3,947	29,057	33,535	30,848	-	13,175	77,558	49,714	(2,698)	47,016
Walker	239,995	-	12,232	-	12,232	16,336	15,028	-	2,032	33,396	24,219	(1,543)	22,676
Washington	354,023	-	18,044	3,645	21,689	24,098	22,167	-	72	46,337	35,725	4,271	39,996
Wilcox	255,843	-	13,040	1,229	14,269	17,415	16,020	-	1,540	34,975	25,818	4,113	29,931
Winston	353,517	-	18,018	6,815	24,833	24,064	22,136	-	6,331	52,531	35,675	(1,680)	33,995
Total for State Support Provided to the Counties	21,806,264	-	1,111,418	399,396	1,510,814	1,484,334	1,365,417	-	424,740	3,274,491	2,200,541	64,979	2,265,520
State Employer	122,917,475	-	6,264,840	93,041	6,356,881	8,366,886	7,696,579	-	66,697	16,130,162	12,404,002	(64,979)	12,339,023
Total State of Alabama	\$ 144,723,739	\$ -	\$ 7,376,258	\$ 491,437	\$ 7,867,695	\$ 9,851,220	\$ 9,061,996	\$ -	\$ 491,437	\$ 19,404,653	\$ 14,604,543	\$ -	\$ 14,604,543

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

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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 12-17-22* (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) Six 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. Two vested active employees of an employer participating in ERS pursuant to § 36-27-6.

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

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.

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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.

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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 generally accepted accounting principles 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 \$144,723,739 was measured as of September 30, 2018. The total pension liability is based on the actuarial valuation as of September 30, 2017. The expected total pension liability is determined as of September 30, 2018, using standard roll-forward techniques as follows:

	Expected	Actual Before the Discount Rate Change	Actual After the Discount Rate Change
Total Pension Liability as of 9/30/2017 (a)	\$ 456,927,472	\$ 448,450,545	\$ 452,289,380
Entry Age Normal Cost* for 10/1/2017 - 9/30/2018 (b)	\$ 9,811,232	\$ 9,811,232	\$ 9,983,305
Actual Benefit Payments for 10/1/2017 - 9/30/2018 (c)	\$ 33,549,501	\$ 33,549,501	\$ 33,549,501
Total Pension Liability as of 9/30/2018**	\$ 467,301,039	\$ 458,167,150	\$ 462,040,053
Difference between Expected & Actual Experience (Gain)/Loss		\$ (9,133,889)	
Difference Due to Change of Assumptions			\$ 3,872,903

*Also called the Service Cost.

**Expected and Actual Before Discount Rate Change Calculation: [(a) x (1.0775)] + (b) - [(c) x (1.03875)].

**After Discount Rate Change Calculation: [(a) x (1.0765)] + (b) - [(c) x (1.03825)].

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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, 2018, were as follows:

Total Pension Liability	\$ 462,040,053
Less: Plan Net Position	<u>(317,316,414)</u>
Net Pension Liability	<u>\$ 144,723,639</u>

Plan Net Position as a Percentage of the Total Pension Liability	68.68%
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4) Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected Salary Increases	3.25% - 3.50%
Investment Rate of Return	7.65%

The actuarial assumptions used in the actuarial valuation as of September 30, 2017, 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, 2015, completed by the JRF and its actuaries. The purpose of the investigation was to assess the reasonableness of the actuarial assumptions and methods currently used by the JRF. This investigation resulted in changes to the actuarial assumptions. The Board of Control accepted and approved these changes in September 2016 which became effective at the beginning of fiscal year 2016.

The assumed investment rate of return used to prepare the actuarial valuation as of September 30, 2017, was 7.75% for the JRF. Subsequent to the valuation, the Board of Control adopted a new assumed investment rate of return which was 7.65% for the JRF. The Board of Control accepted and approved these changes in December 2018 which became effective September 30, 2018 (the measurement date). Since the effective date was the same as the measurement date, the new assumed investment rate of return was used to measure the total pension liability as of September 30, 2018.

Mortality rates for the JRF were based on the sex distinct RP-2000 White Collar Mortality Table projected to 2020 using scale BB and adjusted 115% for males and 112% for females age 78 and older. The rates of disabled mortality for the JRF were based on the sex distinct RP-2000 Disabled Mortality Table projected to 2020 using scale BB and adjusted 105% for males and 120% for females.

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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%	4.40%
U.S. Large Stocks	41.00%	8.00%
U.S. Mid Stocks	11.00%	10.00%
U.S. Small Stocks	3.00%	11.00%
International Developed Market Stocks	12.00%	9.50%
International Emerging Market Stocks	3.00%	11.00%
Alternatives	1.00%	10.10%
Real Estate	2.00%	7.50%
Cash	5.00%	1.50%
Total	<u>100.00%</u>	

*Includes assumed rate of inflation of 2.50%.

The discount rate used to measure the total pension liability was 7.65%. 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 7.65%, 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 (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
\$ 186,716,450	\$ 144,723,739	\$ 108,355,086

Judicial Retirement Fund of Alabama
Notes to the Schedule of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2018

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 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	\$ 2,588,572	15.06751%
Employer Contributions related to		
State Employer	14,591,256	84.93249%
Total Employer Contributions	<u>\$ 17,179,828</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 Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018. The supporting actuarial information is included in the GASB Statement No. 67 Report for the JRF prepared as of September 30, 2018. The additional financial and actuarial information is available at www.rsa-al.gov.

Supplementary Schedules

Judicial Retirement Fund of Alabama
Reconciliation of Member Contributions to Calculation of Salary Amounts
For the Fiscal Year Ended September 30, 2018

County	Total Member Contributions	Adjustments	Annual Contributions to Calculate Salary	Calculated Salary*
Autauga	\$ 10,552.56	\$ -	\$ 10,552.56	\$ 124,147.76
Baldwin	10,995.36	-	10,995.36	129,357.18
Barbour	4,462.56	-	4,462.56	52,500.71
Bibb	6,491.04	-	6,491.04	76,365.18
Blount	6,698.40	-	6,698.40	78,804.71
Bullock	4,462.56	-	4,462.56	52,500.71
Butler	7,656.48	-	7,656.48	90,076.24
Calhoun	8,498.19	-	8,498.19	99,978.71
Chambers	7,498.14	-	7,498.14	88,213.41
Cherokee	8,186.64	-	8,186.64	96,313.41
Chilton	5,646.60	-	5,646.60	66,430.59
Choctaw	7,882.68	-	7,882.68	92,737.41
Clarke	6,952.66	-	6,952.66	81,796.00
Clay	6,299.54	-	6,299.54	74,112.24
Cleburne	8,787.24	-	8,787.24	103,379.29
Coffee	9,245.88	-	9,245.88	108,775.06
Colbert	6,215.52	-	6,215.52	73,123.76
Conecuh	9,425.04	-	9,425.04	110,882.82
Coosa	6,697.68	(268.22)	6,429.46	75,640.71
Covington	7,755.94	-	7,755.94	91,246.35
Crenshaw	8,275.52	-	8,275.52	97,359.06
Cullman	7,989.77	-	7,989.77	93,997.29
Dale	6,640.80	-	6,640.80	78,127.06
Dallas	9,422.37	-	9,422.37	110,851.41
DeKalb	8,643.60	-	8,643.60	101,689.41
Elmore	8,318.80	-	8,318.80	97,868.24
Escambia	6,516.36	-	6,516.36	76,663.06
Etowah	12,458.76	-	12,458.76	146,573.65
Fayette	12,263.57	-	12,263.57	144,277.29
Franklin	10,705.50	-	10,705.50	125,947.06
Geneva	6,619.56	-	6,619.56	77,877.18
Greene	7,114.59	-	7,114.59	83,701.06
Hale	8,986.42	-	8,986.42	105,722.59
Henry	9,218.04	-	9,218.04	108,447.53
Houston	9,014.22	-	9,014.22	106,049.65
Jackson	9,081.60	-	9,081.60	106,842.35
Jefferson	24,851.76	-	24,851.76	292,373.65
Lamar	10,369.39	-	10,369.39	121,992.82
Lauderdale	7,469.04	-	7,469.04	87,871.06
Lawrence	6,431.88	-	6,431.88	75,669.18
Lee	8,897.40	-	8,897.40	104,675.29
Limestone	9,103.68	-	9,103.68	107,102.12
Lowndes	7,057.44	-	7,057.44	83,028.71
Macon	11,578.86	-	11,578.86	136,221.88

See Independent Auditors' Report.

Judicial Retirement Fund of Alabama
Reconciliation of Member Contributions to Calculation of Salary Amounts
For the Fiscal Year Ended September 30, 2018

County	Total Member Contributions	Adjustments	Annual Contributions to Calculate Salary	Calculated Salary*
Madison	8,862.88	-	8,862.88	104,269.18
Marengo	9,553.68	-	9,553.68	112,396.24
Marion	9,103.56	-	9,103.56	107,100.71
Marshall	6,957.36	-	6,957.36	81,851.29
Mobile	13,245.60	-	13,245.60	155,830.59
Monroe	11,926.13	(1,218.68)	10,707.45	125,970.00
Montgomery	8,116.56	-	8,116.56	95,488.94
Morgan	7,705.78	-	7,705.78	90,656.24
Perry	6,081.14	-	6,081.14	71,542.82
Pickens	5,640.44	-	5,640.44	66,358.12
Pike	7,870.98	-	7,870.98	92,599.76
Randolph	5,265.36	-	5,265.36	61,945.41
Russell	7,016.88	-	7,016.88	82,551.53
Shelby	8,766.60	-	8,766.60	103,136.47
St. Clair	7,761.73	-	7,761.73	91,314.47
Sumter	6,429.60	-	6,429.60	75,642.35
Talladega	7,375.56	-	7,375.56	86,771.29
Tallapoosa	3,112.80	-	3,112.80	36,621.18
Tuscaloosa	12,658.88	-	12,658.88	148,928.00
Walker	6,166.92	-	6,166.92	72,552.00
Washington	9,096.80	-	9,096.80	107,021.18
Wilcox	6,574.08	-	6,574.08	77,342.12
Winston	9,083.74	-	9,083.74	106,867.53
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Total for State Support Provided to the Counties	561,812.70	(1,486.90)	560,325.80	6,592,068.24
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State of Alabama	3,180,680.59	-	3,180,680.59	37,419,771.65
	3,742,493.29	\$ (1,486.90)	\$ 3,741,006.39	\$ 44,011,839.88
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Member Purchased Service	13,866.41			
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Member Contributions per CAFR	\$ 3,756,359.70			

*Differences between Calculated Salary above and Calculated Salary per the Schedule of Employer Allocations are attributable to rounding and are considered immaterial.

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, 2019

County	2020	2021	2022	2023	2024	Thereafter
Autauga	\$ 956	\$ (20,816)	\$ (13,272)	\$ (3,072)	\$ -	\$ -
Baldwin	5,207	(19,111)	(12,507)	(3,072)	-	-
Barbour	402	(8,802)	(5,613)	(1,299)	-	-
Bibb	657	(12,804)	(8,165)	(1,890)	-	-
Blount	8,741	(11,617)	(8,425)	(1,951)	-	-
Bullock	402	(8,802)	(5,613)	(1,299)	-	-
Butler	2,365	(13,613)	(9,630)	(2,230)	-	-
Calhoun	7,363	(11,718)	(8,295)	(2,236)	-	-
Chambers	4,499	(13,988)	(9,431)	(2,185)	-	-
Cherokee	(10,597)	(27,474)	(21,584)	(3,513)	-	-
Chilton	515	(11,139)	(7,101)	(1,646)	-	-
Choctaw	6,954	(11,673)	(7,903)	(2,096)	-	-
Clarke	3,560	(13,509)	(7,317)	(1,883)	-	-
Clay	450	(14,831)	(7,922)	(1,836)	-	-
Cleburne	1,794	(16,459)	(11,052)	(2,562)	-	-
Coffee	6,798	(14,116)	(9,266)	(2,455)	-	-
Colbert	562	(12,260)	(7,817)	(1,811)	-	-
Conecuh	1,230	(18,591)	(11,853)	(2,745)	-	-
Coosa	2,758	(9,248)	(6,203)	(1,684)	-	-
Covington	494	(8,130)	(7,479)	(2,034)	-	-
Crenshaw	8,617	(11,428)	(7,837)	(2,155)	-	-
Cullman	9,793	(10,758)	(7,408)	(2,062)	-	-
Dale	8,534	(10,411)	(6,985)	(1,796)	-	-
Dallas	17,662	(5,330)	1,621	(1,396)	-	-
DeKalb	6,217	(14,822)	(8,648)	(2,297)	-	-
Elmore	4,195	(14,701)	(9,599)	(2,335)	-	-
Escambia	2,061	(10,998)	(6,343)	(1,713)	-	-
Etowah	1,129	(24,578)	(15,671)	(3,630)	-	-
Fayette	3,943	(21,949)	(14,324)	(3,462)	-	-
Franklin	1,148	(21,115)	(13,463)	(3,120)	-	-
Geneva	598	(13,058)	(8,327)	(1,926)	-	-
Greene	839	(6,385)	(9,411)	(2,119)	-	-
Hale	5,172	(13,408)	(7,000)	(2,188)	-	-
Henry	2,670	(17,865)	(11,595)	(2,685)	-	-
Houston	19,507	(16,896)	(11,300)	(2,619)	-	-
Jackson	5,975	(10,549)	(7,227)	(2,227)	-	-
Jefferson	2,278	(49,022)	(31,261)	(7,240)	-	-
Lamar	(14,385)	(36,838)	(29,377)	(4,652)	-	-
Lauderdale	11,685	(11,709)	(8,059)	(2,043)	-	-
Lawrence	564	(15,030)	(7,985)	(1,865)	-	-
Lee	9,302	(13,709)	(8,772)	(2,351)	-	-
Limestone	6,621	(15,172)	(8,675)	(2,377)	-	-
Lowndes	8,882	(6,325)	(6,468)	(1,814)	-	-
Macon	3,218	(20,692)	(12,423)	(3,159)	-	-
Madison	324	(17,483)	(11,141)	(2,578)	-	-
Marengo	15,700	(8,333)	(11,615)	(2,744)	-	-
Marion	826	(17,956)	(11,449)	(2,653)	-	-
Marshall	3,446	(13,722)	(8,749)	(2,027)	-	-
Mobile	1,203	(26,129)	(16,662)	(3,859)	-	-
Monroe	4,745	(18,321)	(19,173)	(3,690)	-	-
Montgomery	(6,959)	(26,467)	(17,292)	(3,074)	-	-
Morgan	3,430	(12,762)	(7,260)	(2,000)	-	-
Perry	431	(14,311)	(7,648)	(1,771)	-	-
Pickens	2,138	(13,214)	(7,097)	(1,642)	-	-
Pike	5,319	(17,422)	(9,899)	(2,294)	-	-
Randolph	480	(10,385)	(6,623)	(1,534)	-	-
Russell	636	(13,841)	(8,825)	(2,042)	-	-
Shelby	(13,617)	(34,535)	(27,218)	(4,174)	-	-
St. Clair	2,670	(13,454)	(7,909)	(2,074)	-	-
Sumter	3,971	(9,632)	(7,820)	(1,844)	-	-
Talladega	1,824	(13,407)	(8,137)	(2,035)	-	-
Tallapoosa	(33,099)	(29,900)	(14,782)	(1,991)	-	-

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, 2019

County	2020	2021	2022	2023	2024	Thereafter
Tuscaloosa	903	(29,796)	(15,920)	(3,688)	-	-
Walker	558	(12,166)	(7,758)	(1,798)	-	-
Washington	5,537	(16,605)	(10,976)	(2,604)	-	-
Wilcox	2,445	(12,966)	(8,268)	(1,917)	-	-
Winston	2,231	(18,351)	(9,160)	(2,418)	-	-
Total for State Support Provided to the Counties	176,477	(1,072,607)	(704,366)	(163,181)	-	-
State Employer	843,886	(5,943,735)	(3,773,312)	(900,120)	-	-
Total State of Alabama	<u>\$ 1,020,363</u>	<u>\$ (7,016,342)</u>	<u>\$ (4,477,678)</u>	<u>\$ (1,063,301)</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.