

Judicial Retirement Fund of Alabama

Schedules of Employer Allocations

&

Pension Amounts by Employer

As of and for the Fiscal Year Ended September 30, 2021

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

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, 2021, and the related notes. We have also audited the total for all entities of the columns titled 2021 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, 2021 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, 2021 and the 2021 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, 2021, 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, 2021 and the schedule of remaining deferred outflows/(inflows) as of and for the fiscal year ended September 30, 2022, 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, 2021, and our report thereon, dated January 31, 2022, 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, Rigg & Ingram, L.L.C.

August 19, 2022
Montgomery, Alabama

Judicial Retirement Fund of Alabama
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2021

County	2021 Pensionable Salary	2021 Employer Allocation Percentage
Autauga	\$ 114,834	0.23088%
Baldwin	129,706	0.26078%
Barbour	67,109	0.13492%
Bibb	86,810	0.17453%
Blount	87,170	0.17526%
Bullock	52,500	0.10555%
Butler	92,554	0.18608%
Calhoun	110,107	0.22137%
Chambers	88,680	0.17829%
Cherokee	108,996	0.21914%
Chilton	85,106	0.17111%
Choctaw	99,868	0.20079%
Clarke	86,010	0.17292%
Clay	72,403	0.14557%
Cleburne	104,523	0.21015%
Coffee	85,290	0.17148%
Colbert	75,553	0.15190%
Conecuh	94,666	0.19033%
Coosa	77,812	0.15644%
Covington	96,866	0.19475%
Crenshaw	96,415	0.19384%
Cullman	101,484	0.20404%
Dale	82,896	0.16666%
Dallas	102,783	0.20665%
DeKalb	107,856	0.21685%
Elmore	98,000	0.19703%
Escambia	77,183	0.15518%
Etowah	120,121	0.24151%
Fayette	99,432	0.19991%
Franklin	132,319	0.26603%
Geneva	94,063	0.18912%
Greene	80,851	0.16255%
Hale	109,110	0.21937%
Henry	120,373	0.24201%
Houston	109,336	0.21982%
Jackson	110,113	0.22138%

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, 2021

<u>County</u>	<u>2021 Pensionable Salary</u>	<u>2021 Employer Allocation Percentage</u>
Jefferson	301,025	0.60523%
Lamar	121,044	0.24336%
Lauderdale	92,372	0.18572%
Lawrence	79,396	0.15963%
Lee	118,937	0.23912%
Limestone	111,428	0.22403%
Lowndes	104,134	0.20936%
Macon	95,160	0.19132%
Madison	108,098	0.21733%
Marengo	130,195	0.26176%
Marion	88,849	0.17863%
Marshall	81,851	0.16456%
Mobile	163,335	0.32839%
Monroe	109,750	0.22065%
Montgomery	114,673	0.23055%
Morgan	93,254	0.18749%
Perry	73,341	0.14745%
Pickens	67,398	0.13550%
Pike	104,874	0.21085%
Randolph	61,945	0.12454%
Russell	112,390	0.22596%
Shelby	129,958	0.26128%
St. Clair	99,255	0.19955%
Sumter	78,936	0.15870%
Talladega	89,919	0.18078%
Tallapoosa	79,720	0.16028%
Tuscaloosa	156,502	0.31465%
Walker	72,500	0.14576%
Washington	108,582	0.21831%
Wilcox	69,400	0.13953%
Winston	109,801	0.22076%
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Total for State Support Provided to the Counties	<u>\$ 6,786,920</u>	13.64522%
State Employer		86.35478%
Total State of Alabama		<u>100.00000%</u>

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, 2022 with Net Pension Liability as of September 30, 2021

County	2021 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
		Differences Between Expected Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of	Total Deferred Outflows of Resources	Differences Between Expected Actual Experience	Net Difference Between Projected Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of	Total Deferred Inflows of Resources	Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Autauga	\$ 319,891	\$ 18,771	\$ 28,957	\$ 4,224	\$ 51,952	\$ 2,921	\$ 64,242	\$ -	\$ 37,380	\$ 104,543	\$ 29,920	\$ (20,658)	\$ 9,262
Baldwin	361,319	21,202	32,707	4,040	57,949	3,300	72,561	-	30,102	105,963	33,794	(12,184)	21,610
Barbour	186,936	10,969	16,922	7,477	35,368	1,707	37,541	-	6,608	45,856	17,485	6,132	23,617
Bibb	241,817	14,190	21,890	4,094	40,174	2,208	48,562	-	3,842	54,612	22,618	(313)	22,305
Blount	242,828	14,249	21,981	2,379	38,609	2,218	48,765	-	11,525	62,508	22,712	(1,710)	21,002
Bullock	146,243	8,581	13,238	-	21,819	1,356	29,369	-	12,162	42,867	13,680	(5,446)	8,234
Butler	257,820	15,129	23,338	3,375	41,842	2,355	51,776	-	20,608	74,739	24,115	(7,567)	16,548
Calhoun	306,715	17,998	27,764	2,681	48,443	2,801	61,595	-	15,299	79,695	28,688	6	28,694
Chambers	247,026	14,495	22,361	2,942	39,798	2,256	49,609	-	27,599	79,464	23,106	(8,450)	14,656
Cherokee	303,625	17,817	27,485	6,476	51,778	2,773	60,975	-	23,190	86,938	28,397	(10,826)	17,571
Chilton	237,078	13,912	21,461	9,957	45,330	2,165	47,611	-	8,119	57,895	22,173	7,941	30,114
Choctaw	278,201	16,325	25,183	3,259	44,767	2,541	55,869	-	13,905	72,315	26,019	(2,380)	23,639
Clarke	239,586	14,059	21,688	105	35,852	2,188	48,114	-	12,434	62,736	22,409	(3,933)	18,476
Clay	201,692	11,835	18,257	-	30,092	1,842	40,504	-	17,454	59,800	18,864	(8,973)	9,891
Cleburne	291,169	17,086	26,357	-	43,443	2,659	58,473	-	23,318	84,450	27,232	(9,779)	17,453
Coffee	237,591	13,942	21,507	188	35,637	2,170	47,714	-	76,184	126,068	22,223	(24,439)	(2,216)
Colbert	210,462	12,350	19,051	797	32,198	1,922	42,266	-	15,686	59,874	19,685	(5,670)	14,015
Conecuh	263,708	15,474	23,871	-	39,345	2,408	52,959	-	30,502	85,869	24,665	(25,044)	(379)
Coosa	216,752	12,719	19,621	987	33,327	1,979	43,529	-	14,532	60,040	20,272	(4,417)	15,855
Covington	269,832	15,834	24,426	2,328	42,588	2,464	54,188	-	15,041	71,693	25,235	(3,049)	22,186
Crenshaw	268,571	15,760	24,311	2,763	42,834	2,453	53,935	-	25,804	82,192	25,121	(8,333)	16,788
Cullman	282,704	16,589	25,591	2,059	44,239	2,582	56,773	-	16,985	76,340	26,440	(1,074)	25,366
Dale	230,913	13,550	20,903	1,395	35,848	2,109	46,373	-	11,273	59,755	21,599	(3,313)	18,286
Dallas	286,320	16,801	25,918	1,980	44,699	2,615	57,500	-	18,529	78,644	26,781	(5,683)	21,098
DeKalb	300,452	17,630	27,197	5,870	50,697	2,744	60,338	-	21,973	85,055	28,101	(3,693)	24,408
Elmore	272,991	16,019	24,712	43	40,774	2,493	54,823	-	22,936	80,252	25,533	(9,131)	16,402
Escambia	215,007	12,617	19,463	928	33,008	1,964	43,178	-	18,493	63,635	20,109	(5,666)	14,443
Fayette	334,619	19,635	30,290	-	49,925	3,056	67,199	-	56,635	126,890	31,296	(35,917)	(4,621)
Franklin	276,981	16,253	25,073	8,564	49,890	2,530	55,624	-	74,557	132,711	25,906	(50,133)	(24,227)
Franklin	368,593	21,629	33,366	2,994	57,989	3,366	74,022	-	26,388	103,776	34,475	(8,087)	26,388
Geneva	262,032	15,376	23,720	14,109	53,205	2,393	52,622	-	17,588	72,603	24,506	4,578	29,084
Greene	223,218	13,216	20,387	-	33,603	2,057	45,229	-	28,998	76,284	21,066	(10,574)	10,492
Hale	303,944	17,835	27,513	4,854	50,202	2,776	61,039	-	24,058	87,873	28,429	(4,220)	24,209
Henry	335,312	19,676	30,353	5,456	55,485	3,062	67,338	-	16,316	86,716	31,361	(2,200)	29,161
Houston	304,567	17,872	27,570	-	45,442	2,781	61,164	-	23,157	87,102	28,486	(8,119)	20,367
Jackson	306,729	17,999	27,766	2,920	48,685	2,801	61,598	-	24,006	88,405	28,689	(4,377)	24,312
Jefferson	838,565	49,207	75,906	-	125,113	7,657	168,405	-	49,459	225,521	78,430	(24,048)	54,382
Lamar	337,183	19,786	30,522	39,689	89,997	3,079	67,714	-	33,342	104,135	31,537	(33,569)	(2,032)
Lauderdale	257,321	15,099	23,293	1,607	39,999	2,350	51,676	-	15,398	69,424	24,066	(4,449)	19,617
Lawrence	221,172	12,978	20,021	4,314	37,313	2,020	44,416	-	14,120	60,556	20,686	(5,242)	15,444
Lee	331,308	19,441	29,991	4,879	54,311	3,026	66,534	-	5,499	75,059	30,988	1,864	32,852
Limestone	310,400	18,214	28,098	1,724	48,036	2,835	62,336	-	18,670	83,841	29,031	(5,251)	23,780
Lowndes	290,075	17,021	26,258	17,951	61,230	2,649	58,254	-	6,638	67,541	27,134	9,271	36,405
Macon	265,080	15,555	23,995	151	39,701	2,421	53,234	-	75,964	131,619	24,794	(43,221)	(18,427)

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, 2022 with Net Pension Liability as of September 30, 2021

County	2021 Net Pension Liability	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
		Differences Between Expected Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected Actual Experience	Net Difference Between Projected Actual Investment Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Madison	301,117	17,669	27,238	2,368	47,295	2,750	60,471	-	29,648	92,869	28,164	(7,065)	21,099
Marengo	362,676	21,282	32,830	11,089	65,201	3,312	72,834	-	5,809	81,955	33,920	1,339	35,259
Marion	247,497	14,523	22,404	8,184	45,111	2,260	49,703	-	35,495	87,458	23,148	(26,863)	(3,715)
Marshall	228,003	13,379	20,639	-	34,018	2,082	45,788	-	19,565	67,435	21,327	(8,421)	12,906
Mobile	454,994	26,699	41,187	3,693	71,579	4,155	91,373	-	32,867	128,395	42,554	(10,315)	32,239
Monroe	305,717	17,939	27,674	-	45,613	2,792	61,395	-	37,780	101,967	28,595	(32,126)	(3,531)
Montgomery	319,434	18,744	28,916	15,109	62,769	2,917	64,150	-	15,352	82,419	29,878	(2,457)	27,421
Morgan	259,773	15,243	23,515	203	38,961	2,372	52,168	-	16,635	71,175	24,296	(5,066)	19,230
Perry	204,296	11,988	18,493	877	31,358	1,866	41,027	-	15,735	58,628	19,107	(6,028)	13,079
Pickens	187,739	11,016	16,994	974	28,984	1,715	37,702	-	15,033	54,450	17,561	(6,115)	11,446
Pike	292,139	17,143	26,445	17,430	61,018	2,668	58,668	-	22,475	83,811	27,323	(667)	26,656
Randolph	172,554	10,125	15,620	-	25,745	1,576	34,653	-	17,079	53,308	16,140	(6,114)	10,026
Russell	313,074	18,371	28,340	31,891	78,602	2,859	62,873	-	36	65,768	29,282	12,650	41,932
Shelby	362,011	21,243	32,770	52,123	106,136	3,306	72,700	-	32,154	108,160	33,859	(8,413)	25,446
St. Clair	276,483	16,224	25,028	8,416	49,668	2,525	55,524	-	19,598	77,647	25,860	(1,713)	24,147
Sumter	219,884	12,903	19,904	2,408	35,215	2,008	44,158	-	13,804	59,970	20,567	(5,285)	15,282
Talladega	250,476	14,698	22,674	74	37,446	2,287	50,301	-	15,485	68,073	23,426	(5,496)	17,930
Tallapoosa	222,073	13,031	20,102	48,604	81,737	2,028	44,597	-	14,437	61,062	20,771	18,491	39,262
Tuscaloosa	435,957	25,582	39,464	21,974	87,020	3,981	87,550	-	38,547	130,078	40,774	(10,792)	29,982
Walker	201,955	11,851	18,281	2,226	32,358	1,844	40,557	-	26,784	69,185	18,889	(6,690)	12,199
Washington	302,475	17,749	27,381	16,625	61,755	2,762	60,744	-	45,672	109,178	28,289	(9,226)	19,063
Wilcox	193,323	11,344	17,500	-	28,844	1,766	38,824	-	24,370	64,960	18,082	(14,306)	3,776
Winston	305,870	17,948	27,688	225	45,861	2,793	61,426	-	26,021	90,240	28,608	(6,063)	22,545
Total for State Support Provided to the Counties	18,905,868	1,109,389	1,711,389	424,052	3,244,830	172,656	3,796,732	-	1,582,657	5,552,045	1,768,276	(548,087)	1,220,189
State Employer	119,647,180	7,020,853	10,830,655	1,290,752	19,142,260	1,092,665	24,027,901	-	132,147	25,252,713	11,190,658	548,087	11,738,745
Total State of Alabama	\$ 138,553,048	\$ 8,130,242	\$ 12,542,044	\$ 1,714,804	\$ 22,387,090	\$ 1,265,321	\$ 27,824,633	\$ -	\$ 1,714,804	\$ 30,804,758	\$ 12,958,934	\$ -	\$ 12,958,934

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, 2021

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 Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2021

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 Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the Fiscal Year Ended September 30, 2021

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 \$138,553,048 was measured as of September 30, 2021. The total pension liability is based on the actuarial valuation as of September 30, 2020. The expected total pension liability is determined as of September 30, 2021, using standard roll-forward techniques as follows:

	Expected	Actual Before 2020 Experience Study	Actual After 2020 Experience Study
Total Pension Liability			
as of 9/30/2020 (a)	\$ 481,205	\$ 481,899	\$ 497,364
Expected Rate of Return (b)	7.65%	7.65%	7.40%
Entry Age Normal Cost* for			
10/1/2020 - 9/30/2021 (c)	\$ 9,825	\$ 9,825	\$ 10,277
Actual Benefit Payments (including refunds) for			
10/1/2020 - 9/30/2021 (d)	\$ 39,117	\$ 39,117	\$ 39,117
Total Pension Liability			
as of 9/30/2021	\$ 487,230	\$ 487,976	\$ 503,881
[(a) x (1 + (b))] + (c) - [(d) x (1 + 0.5 x (b))]			
Difference between Expected and Actual Before			
Experience Study - Experience (Gain)/Loss		\$ 746	
Difference between Actual Before and After			
Experience Study - Assumption Change (Gain)/Loss			\$ 15,905

*Also called the Service Cost.

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, 2021

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, 2021, were as follows:

Total Pension Liability	\$ 503,881,386
Less: Plan Net Position	<u>(365,328,338)</u>
Net Pension Liability	<u>\$ 138,553,048</u>

Plan Net Position as a Percentage of the Total Pension Liability	72.50%
-----------------------------------------------------------------------------	---------------

4) Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2020, 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	7.40%

The actuarial assumptions used in the actuarial valuation as of September 30, 2020, 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, 2020, 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 (-)	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

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, 2021

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%)
\$ 184,358,458	\$ 138,553,048	\$ 98,953,214

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, 2021

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	\$ 2,491,605	13.64522%
Employer Contributions related to State Employer	15,768,306	86.35478%
Total Employer Contributions	<u>\$ 18,259,911</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, 2021. The supporting actuarial information is included in the GASB Statement No. 67 Report for the JRF prepared as of September 30, 2021. The additional financial and actuarial information is available at www.rsa-al.gov.

Supplementary Schedule

Judicial Retirement Fund of Alabama
Schedule of Remaining Deferred Outflows/(Inflows)
As of and for the Fiscal Year Ending September 30, 2022

County	2023	2024	2025	2026	2027	Thereafter
Autauga	\$ (21,026)	\$ (2,488)	\$ (11,663)	\$ (17,414)	\$ -	\$ -
Baldwin	(14,732)	(2,019)	(12,258)	(19,005)	-	-
Barbour	4,121	(490)	(5,320)	(8,799)	-	-
Bibb	(1,856)	1,419	(4,438)	(9,563)	-	-
Blount	(3,344)	(889)	(7,531)	(12,135)	-	-
Bullock	(6,083)	(1,653)	(5,523)	(7,789)	-	-
Butler	(8,758)	(1,511)	(8,900)	(13,728)	-	-
Calhoun	(4,308)	(2,327)	(9,856)	(14,761)	-	-
Chambers	(9,733)	(4,108)	(11,142)	(14,683)	-	-
Cherokee	(3,262)	(3,950)	(11,784)	(16,164)	-	-
Chilton	5,334	(988)	(6,481)	(10,430)	-	-
Choctaw	(5,717)	(88)	(7,978)	(13,765)	-	-
Clarke	(6,486)	(1,254)	(7,464)	(11,680)	-	-
Clay	(9,809)	(3,372)	(7,283)	(9,244)	-	-
Cleburne	(11,158)	(3,323)	(11,023)	(15,503)	-	-
Coffee	(27,644)	(21,963)	(23,595)	(17,229)	-	-
Colbert	(6,771)	(1,984)	(7,714)	(11,207)	-	-
Conecuh	(24,499)	(1,900)	(8,021)	(12,104)	-	-
Coosa	(7,122)	(1,296)	(7,199)	(11,096)	-	-
Covington	(6,533)	(753)	(8,271)	(13,548)	-	-
Crenshaw	(11,684)	(2,688)	(10,237)	(14,749)	-	-
Cullman	(5,379)	(3,141)	(9,800)	(13,781)	-	-
Dale	(5,722)	(288)	(6,640)	(11,257)	-	-
Dallas	(17,655)	1,913	(5,820)	(12,383)	-	-
DeKalb	(7,318)	(1,080)	(9,962)	(15,998)	-	-
Elmore	(11,139)	(3,369)	(10,466)	(14,504)	-	-
Escambia	(8,315)	(2,399)	(8,251)	(11,662)	-	-
Etowah	(35,453)	(9,019)	(15,342)	(17,151)	-	-
Fayette	(48,183)	(4,247)	(12,938)	(17,453)	-	-
Franklin	(10,149)	(2,864)	(13,145)	(19,629)	-	-
Geneva	2,270	255	(7,972)	(13,951)	-	-
Greene	(11,464)	(7,649)	(11,574)	(11,994)	-	-
Hale	(9,519)	(1,589)	(10,376)	(16,187)	-	-
Henry	(4,370)	(208)	(9,830)	(16,823)	-	-
Houston	(9,919)	(4,588)	(11,691)	(15,462)	-	-
Jackson	(9,690)	(2,519)	(11,084)	(16,427)	-	-
Jefferson	(28,149)	(6,780)	(26,366)	(39,113)	-	-
Lamar	(17,800)	16,793	1,702	(14,833)	-	-
Lauderdale	(6,988)	(1,144)	(8,235)	(13,058)	-	-
Lawrence	(6,315)	368	(6,188)	(11,108)	-	-
Lee	(2,313)	2,951	(6,598)	(14,788)	-	-
Limestone	(9,239)	(1,237)	(9,739)	(15,590)	-	-
Lowndes	4,930	6,027	(3,955)	(13,313)	-	-
Macon	(43,907)	(16,049)	(17,847)	(14,115)	-	-
Madison	(9,157)	(6,903)	(13,480)	(16,034)	-	-

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, 2022

County	2023	2024	2025	2026	2027	Thereafter
Marengo	(1,114)	5,858	(5,512)	(15,986)	-	-
Marion	(25,650)	1,773	(6,083)	(12,387)	-	-
Marshall	(9,457)	(2,966)	(8,851)	(12,143)	-	-
Mobile	(12,822)	(3,536)	(16,230)	(24,228)	-	-
Monroe	(26,713)	(3,023)	(10,911)	(15,707)	-	-
Montgomery	1,417	2,473	(7,665)	(15,875)	-	-
Morgan	(8,511)	(1,945)	(8,702)	(13,056)	-	-
Perry	(7,037)	(1,888)	(7,466)	(10,879)	-	-
Pickens	(6,973)	(1,671)	(6,825)	(9,997)	-	-
Pike	(2,378)	2,968	(7,498)	(15,885)	-	-
Randolph	(7,072)	(3,721)	(7,582)	(9,188)	-	-
Russell	10,377	12,731	1,320	(11,594)	-	-
Shelby	4,320	15,485	(2,183)	(19,646)	-	-
St. Clair	(4,956)	170	(8,471)	(14,722)	-	-
Sumter	(6,550)	(440)	(6,672)	(11,093)	-	-
Talladega	(7,800)	(1,913)	(8,381)	(12,533)	-	-
Tallapoosa	24,540	9,011	(1,308)	(11,568)	-	-
Tuscaloosa	(12,389)	3,755	(11,244)	(23,180)	-	-
Walker	(8,147)	(7,269)	(10,636)	(10,775)	-	-
Washington	(11,080)	(2,985)	(13,602)	(19,756)	-	-
Wilcox	(14,523)	(3,314)	(7,983)	(10,296)	-	-
Winston	(9,954)	(5,531)	(12,722)	(16,172)	-	-
<hr/>						
Total for State Support Provided to the Counties	(634,485)	(90,369)	(614,485)	(967,876)	-	-
State Employer	(401,210)	1,160,517	(2,007,416)	(4,862,344)	-	-
Total State of Alabama	<u><u>\$ (1,035,695)</u></u>	<u><u>\$ 1,070,148</u></u>	<u><u>\$ (2,621,901)</u></u>	<u><u>\$ (5,830,220)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Independent Auditors' Report.