

Alabama Retired Education Employees' Health Care Trust

Schedules of Employer Allocations

&

Other Postemployment Benefit 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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Alabama Retired Education Employees' Health Care Trust
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INDEPENDENT AUDITORS' REPORT

To the Board of Control
Alabama Retired Education Employees' Health Care Trust

Opinion

We have audited the accompanying schedule of employer allocations (the schedule) of the Alabama Retired Education Employees' Health Care Trust (the entity) 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 OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total employer OPEB expense (specified column totals) included in the accompanying schedule of other postemployment benefit amounts by employer of the Alabama Retired Education Employees' Health Care Trust for the year ended September 30, 2022, and the related notes.

In our opinion, the schedule and specified column totals referred to above present fairly, in all material respects, the employer allocations as of and for the year ended September 30, 2022 and the 2022 net OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense for the total of all participating entities for the Alabama Retired Education Employees' Health Care Trust 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 and specified column totals 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 and specified column totals 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 and specified column totals.

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 TRS'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 other postemployment benefit amounts by employer of the Alabama Retired Education Employees' Health Care Trust. The schedule of discount rate sensitivity, amortization of deferred outflows/(inflows), and employer contributions as of and for the fiscal year ended September 30, 2022, the supplemental schedule, is the responsibility of management and is presented for purposes of additional analysis and is not a required part of the schedule of employer allocations and specified column totals included in the accompanying schedule of other postemployment benefit amounts by employer. The supplemental schedule has 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 other postemployment benefit amounts by employer and, accordingly, we do not express an opinion or provide any assurance on the schedule.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Alabama Retired Education Employees' Health Care Trust as of and for the year ended September 30, 2022, and our report thereon, dated January 31, 2023, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of Alabama Retired Education Employees' Health Care Trust management, members of the Board of Control, Alabama Retired Education Employees' Health Care Trust plan employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggis & Ingram, L.L.C.

May 24, 2023
Montgomery, Alabama

Alabama Retired Education Employees' Health Care Trust
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2022 Employer Contributions	2022 Employer Allocation Percentage
Alabama A&M University	TAMI	\$ 1,069,578	0.559669%
Alabama Aerospace and Aviation Schools, Inc	TAER	9,184	0.004806%
Alabama Association of School Boards	TAAB	18,228	0.009538%
Alabama Education Association	TAEA	111,460	0.058323%
Alabama Fire College	T AFC	64,078	0.033530%
Alabama High School Athletic Association	TAAA	23,635	0.012367%
Alabama Industrial Development Training Institute	TIDT	218,392	0.114276%
Alabama Institute for Deaf and Blind	TAID	1,529,627	0.800395%
Alabama Retired State Employees Association	TREA	9,062	0.004742%
Alabama School of Cyber Technology & Engineering	TCYB	40,650	0.021271%
Alabama School of Fine Arts	THFA	118,423	0.061966%
Alabama State Employees Association	TASE	14,205	0.007433%
Alabama State University	TMST	1,047,423	0.548076%
Alabama Technology Network	TATN	78,865	0.041267%
Alabaster City School System	TALR	1,158,063	0.605970%
Albertville City Board of Education	TALB	874,169	0.457419%
Alexander City Board of Education	TALX	505,948	0.264743%
Andalusia City Board of Education	TADL	325,066	0.170094%
Anniston Board of Education	TANN	314,337	0.164480%
Arab City Board of Education	TARB	457,878	0.239590%
Athens City Board of Education	TATH	718,910	0.376178%
Athens State University	TATC	372,927	0.195138%
Attalla City Schools	TATT	270,044	0.141304%
Auburn City Board of Education	TAUB	1,547,993	0.810005%
Auburn University	TAPI	7,790,538	4.076488%
Autauga County Board of Education	TATG	1,595,125	0.834667%
Baldwin County Board of Education	TBLD	5,716,521	2.991235%
Barbour County Schools	TBAR	157,359	0.082340%
Bessemer Board of Education	TBSM	643,232	0.336578%
Bevill State Community College	TWCT	363,487	0.190199%
Bibb County Board of Education	TBIB	628,234	0.328731%
Birmingham City Schools	TBMH	3,701,682	1.936947%
Bishop State Community College	TMJC	250,127	0.130882%
Blount County Board of Education	TBLT	1,466,859	0.767551%
Boaz City Board of Education	TBOZ	443,118	0.231867%
Breakthrough Charter School	TBRK	36,616	0.019160%
Brewton City Board of Education	TBWT	224,424	0.117432%
Bullock County Board of Education	TBLK	245,135	0.128270%
Butler County Board of Education	TBLR	530,714	0.277702%
Calhoun Community College	TDEC	557,656	0.291800%
Calhoun County Board of Education	TCAL	1,701,983	0.890582%
CAPNA, Inc	TNCA	605,595	0.316884%
Central Alabama Community College	TACC	157,860	0.082602%
Chambers County Board of Education	TCHB	694,171	0.363233%
Chattahoochee Valley Community College	TCVS	152,370	0.079729%
Cherokee County Board of Education	TCHK	765,057	0.400325%
Chickasaw City School System	TCKW	232,811	0.121821%
Chilton County Board of Education	TCHT	1,311,152	0.686075%

The accompanying notes are an integral part of the Schedules of Employer Allocations and OPEB Amounts by Employer.

Alabama Retired Education Employees' Health Care Trust
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2022 Employer Contributions	2022 Employer Allocation Percentage
Choctaw County Board of Education	TCHW	282,110	0.147617%
Clarke County Board of Education	TCLK	529,167	0.276893%
Clay County Board of Education	TCLY	313,490	0.164037%
Cleburne County Board of Education	TCLB	462,369	0.241940%
Coastal Alabama Community College	TBMC	539,780	0.282446%
Coffee County Board of Education	TCOF	407,653	0.213309%
Colbert County Board of Education	TCOL	607,493	0.317878%
Conecuh County Board of Education	TCON	360,041	0.188396%
Coosa County Board of Education	TCSA	191,179	0.100037%
Council for Leaders in Alabama Schools	TACA	31,064	0.016255%
Covington County Board of Education	TCOV	605,293	0.316726%
Crenshaw County Board of Education	TCRW	409,832	0.214449%
Cullman City Board of Education	TCMN	545,516	0.285447%
Cullman County Board of Education	TCUL	1,730,700	0.905608%
Dale County Board of Education	TDAL	603,248	0.315656%
Daleville City Board of Education	TDLV	204,118	0.106807%
Dallas County Board of Education	TDLS	648,151	0.339152%
Dauphin Island Sea Lab	TMES	137,096	0.071737%
Decatur Board of Education	TDTR	1,814,531	0.949474%
Dekalb County Board of Education	TDKB	1,598,410	0.836386%
Demopolis City Schools	TDPL	373,058	0.195207%
Dothan Board of Education	TDTN	1,668,741	0.873188%
Elba City Board of Education	TELB	136,299	0.071320%
Elmore County Board of Education	TELM	2,034,306	1.064474%
Empower Schools of Alabama	TEMP	21,757	0.011385%
Enterprise Board of Education	TENP	1,202,081	0.629003%
Enterprise State Community College	TEPC	178,018	0.093150%
Escambia County Board of Education	TESC	924,603	0.483809%
Etowah County Board of Education	TETH	1,628,893	0.852337%
Eufaula City Board of Education	TEFL	489,543	0.256159%
Fairfield Board of Education	TFRF	286,123	0.149717%
Fayette County Board of Education	TFAY	461,201	0.241329%
Florence City Board of Education	TFLO	823,054	0.430672%
Fort Payne City Board of Education	TFTP	584,122	0.305648%
Franklin County Board of Education	TFRK	797,419	0.417259%
Gadsden City Board of Education	TGDS	1,052,359	0.550659%
Gadsden State Community College	TGDC	498,119	0.260646%
Geneva City Board of Education	TGCB	221,532	0.115919%
Geneva County Board of Education	TGEN	520,166	0.272183%
George Corley Wallace State Community College	TGWS	185,610	0.097123%
Greene County Board of Education	TGRN	235,097	0.123017%
Gulf Shores City Board of Education	TGSC	366,194	0.191615%
Guntersville City Board of Education	TGUN	349,207	0.182727%
H. Councill Trenholm State Technical College	TMGT	195,755	0.102431%
Hale County Board of Education	THAL	440,853	0.230681%
Haleyville City Board of Education	THAV	320,113	0.167503%
Hartselle City Board of Education	THCS	656,157	0.343342%
Henry County Board of Education	THNY	477,844	0.250037%

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For the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2022 Employer Contributions	2022 Employer Allocation Percentage
Homewood City Board of Education	THOM	854,591	0.447174%
Hoover City Board of Education	THOV	2,782,369	1.455906%
Houston County Board of Education	THST	1,126,917	0.589672%
Huntsville City Schools	THTS	3,508,878	1.836060%
J. F. Drake State Technical College	THVS	106,223	0.055582%
J. F. Ingram State Technical College	TDRT	172,246	0.090130%
Jackson County Board of Education	TJKS	1,060,323	0.554826%
Jacksonville City Board of Education	TJCS	276,150	0.144499%
Jacksonville State University	TJST	1,466,612	0.767421%
Jasper City Board of Education	TJSP	505,687	0.264606%
Jefferson County American Federation of Teachers	TJFT	4,127	0.002160%
Jefferson County Board of Education	TJEF	6,176,117	3.231723%
Jefferson State Community College	TJJC	505,536	0.264527%
Lamar County Schools	TLAM	408,409	0.213705%
Lanett City Schools	TLNT	185,022	0.096815%
Lauderdale County Board of Education	TLAU	1,533,538	0.802441%
Law Enforcement Academy--Baldwin County	TSWP	2,572	0.001346%
Law Enforcement Academy--Tuscaloosa	TLET	5,190	0.002716%
Lawrence County Board of Education	TLAW	965,578	0.505250%
Lawson State Community College	TLSC	313,431	0.164006%
Lee County Board of Education	TLEE	1,806,075	0.945049%
Leeds City Schools	TLDS	362,138	0.189493%
Limestone County Board of Education	TLST	1,674,656	0.876283%
Linden City Board of Education	TLND	105,072	0.054980%
Lowndes County Board of Education	TLDN	354,904	0.185708%
Lurleen B. Wallace Community College	TLUR	169,156	0.088513%
Macon County Board of Education	TMAC	428,818	0.224384%
Madison City Board of Education	TMDC	1,987,294	1.039874%
Madison County Board of Education	TMAD	3,581,396	1.874006%
MAEF Public Charter Schools, Inc. (ACCEL Day and Evening Academy)	TACL	58,414	0.030566%
Magic City Acceptance Academy, LLC	TMAG	50,821	0.026593%
Marengo County Board of Education	TMNG	241,653	0.126448%
Marion County Board of Education	TMAR	600,835	0.314394%
Marion Military Institute	TMMI	153,811	0.080483%
Marshall County Board of Education	TMSH	1,134,241	0.593504%
Midfield City Board of Education	TMID	192,513	0.100735%
Mobile County Public School System	TMOB	10,156,884	5.314705%
Monroe County Board of Education	TMON	639,970	0.334872%
Montgomery City and County Board of Education	TMTG	4,653,611	2.435055%
Montgomery Education Foundation	TMEF	93,989	0.049181%
Morgan County Board of Education	TMOR	1,413,137	0.739440%
Mountain Brook City Board of Education	TMTB	981,042	0.513341%
Muscle Shoals City Schools	TMSC	471,088	0.246502%
Northeast Alabama Community College	TNEC	194,595	0.101824%
Northwest Shoals Community College	TNWC	316,542	0.165634%
Oneonta City Board of Education	TONE	229,117	0.119888%
Opelika City Board of Education	TOPK	916,431	0.479533%
Opp City Board of Education	TOPP	253,487	0.132640%

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Alabama Retired Education Employees' Health Care Trust
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2022 Employer Contributions	2022 Employer Allocation Percentage
Orange Beach City Schools	TOBC	164,429	0.086039%
Organized Community Action Program, Inc.	TOCA	148,378	0.077640%
Oxford City Schools	TOXF	818,783	0.428438%
Ozark City Board of Education	TOZK	406,196	0.212547%
Pelham City Board of Education	TPLS	571,335	0.298958%
Pell City School System	TPEL	705,157	0.368981%
Perry County Board of Education	TPRY	235,354	0.123152%
Phenix City Board of Education	TPHC	1,136,793	0.594840%
Pickens County Board of Education	TPKS	485,657	0.254126%
Piedmont City Schools	TPMT	177,835	0.093054%
Pike County Board of Education	TPIK	446,089	0.233421%
Pike Road City Schools	TPRB	386,545	0.202264%
Randolph County Board of Education	TRAN	433,868	0.227026%
Reid State Technical College	TEVN	71,207	0.037260%
Roanoke City Schools	TROK	262,426	0.137317%
Russell County Board of Education	TRUS	702,197	0.367433%
Russellville City Board of Education	TRSV	491,596	0.257233%
Saraland Board of Education	TSAR	524,632	0.274520%
Satsuma City Schools	TSTM	243,943	0.127646%
School Superintendents of Alabama	TSAL	6,490	0.003396%
Scottsboro Board of Education	TSCO	493,099	0.258020%
Selma Public Schools	TSMA	546,888	0.286165%
Sheffield City Board of Education	TSHF	220,545	0.115403%
Shelby County Board of Education	TSBY	4,176,521	2.185412%
Shelton State Community College	TTVS	397,970	0.208242%
Snead State Community College	TSJC	137,088	0.071733%
Southern Union State Community College	TSUC	328,123	0.171694%
Special Programming for Achievement Network	TBSC	55,924	0.029263%
St. Clair County Board of Education	TSTC	1,545,035	0.808457%
State of Alabama--High School of Math & Science	THMS	95,390	0.049914%
Sumter County Board of Education	TSUM	258,756	0.135397%
Sylacauga City Board of Education	TSYL	409,686	0.214373%
Talladega City Board of Education	TTAL	374,409	0.195914%
Talladega County Board of Education	TTDG	1,399,177	0.732135%
Tallapoosa County Board of Education	TTPS	547,113	0.286283%
Tallassee City Board of Education	TTAS	293,866	0.153769%
Tarrant Board of Education	TTAR	226,574	0.118557%
Thomasville City Schools	TTOM	219,618	0.114918%
Troy City Board of Education	TTRY	320,326	0.167614%
Troy University	TTST	1,749,470	0.915430%
Trussville City Board of Education	TTCB	821,195	0.429700%
Tuscaloosa City Schools	TTUS	2,049,193	1.072264%
Tuscaloosa County Schools	TTLS	3,391,553	1.774669%
Tuscumbia City Board of Education	TTSC	278,845	0.145909%
University of Alabama System (Chancellor's Office)	TUCO	168,672	0.088260%
University Charter School	TUWC	107,154	0.056070%
University of Alabama	TUVA	6,299,140	3.296097%
University of Alabama--Birmingham	TUMC	15,590,418	8.157863%

The accompanying notes are an integral part of the Schedules of Employer Allocations and OPEB Amounts by Employer.

Alabama Retired Education Employees' Health Care Trust
Schedule of Employer Allocations
For the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	2022 Employer Contributions	2022 Employer Allocation Percentage
University of Alabama--Huntsville	TUAH	1,459,063	0.763471%
University of Montevallo	TALC	743,211	0.388894%
University of North Alabama	TFST	1,153,847	0.603764%
University of South Alabama	TUSA	5,859,137	3.065860%
University of West Alabama	TLVC	458,075	0.239693%
Vestavia Hills Board of Education	TVES	1,342,521	0.702489%
Walker County Board of Education	TWLK	1,414,971	0.740400%
Wallace Community College--Dothan	TGWD	384,373	0.201128%
Wallace State Community College--Hanceville	TCUT	414,672	0.216982%
Washington County Board of Education	TWSH	506,161	0.264854%
Wilcox County Board of Education	TWIL	357,048	0.186829%
Winfield City Board of Education	TWFD	248,816	0.130196%
Winston County Board of Education	TWIN	520,795	0.272512%
Woodlawn Community Charter School (i3 Academy)	TWDL	125,096	0.065458%
	Total	\$ 191,109,086	100.000000%

The accompanying notes are an integral part of the Schedules of Employer Allocations and OPEB Amounts by Employer.

Alabama Retired Education Employees' Health Care Trust
Schedule of Other Postemployment Benefit (OPEB) Amounts by Employer
For the Fiscal Year Ended September 30, 2023, with Net OPEB Liability as of September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	Deferred Outflows				Deferred Inflows				OPEB Expense Deferred						
		2021 Net OPEB Liability	2022 Net OPEB Liability	Difference Between Projected & Actual Experience	Difference Between Projected & Actual Investment Earnings on OPEB Plan Investments	Change of Assumptions	Change in Proportion & Contributions	Total Deferred Outflows of Resources	Difference Between Projected & Actual Experience	Difference Between Projected & Actual Investment Earnings on OPEB Plan Investments	Change in Proportion & Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan OPEB Expense	Proportionate & Contributions	Total Employer OPEB Expense	
Sumter County Board of Education	TSUM	6,285,429	2,359,223	108,203	296,695	1,913,653	839,964	3,158,515	4,770,156	-	3,433,992	2,394,260	10,598,408	(1,198,995)	(789,859)	(1,988,854)
Sylacauga City Board of Education	TSYL	9,857,505	3,735,337	171,317	469,754	3,029,868	1,807,411	5,478,350	7,552,544	-	5,437,008	1,698,237	14,687,789	(1,898,357)	(168,127)	(2,066,484)
Talladega City Board of Education	TTAL	9,473,817	3,413,697	156,566	429,305	2,768,974	859,734	4,214,579	6,902,214	-	4,968,841	1,238,668	13,109,723	(1,734,894)	(386,026)	(2,120,920)
Talladega County Board of Education	TTDG	34,943,779	12,757,081	585,091	1,604,324	10,347,735	4,433,666	16,970,816	25,793,770	-	18,568,699	4,180,180	48,542,649	(6,483,352)	(730,743)	(7,214,095)
Tallapoosa County Board of Education	TTPS	13,380,135	4,988,336	228,785	627,231	4,046,222	2,394,804	7,297,142	10,086,005	-	7,260,823	1,378,333	18,725,161	(2,535,153)	(113,427)	(2,421,726)
Tallapoosa City Board of Education	TTAS	6,975,250	2,679,341	122,885	336,953	2,173,312	1,285,870	3,919,020	5,417,407	-	3,899,942	1,042,996	10,360,345	(1,361,685)	(236,713)	(1,598,398)
Tarrant Board of Education	TTAR	5,670,681	2,065,802	94,746	259,794	1,675,648	847,819	2,878,007	4,176,882	-	3,006,899	525,022	7,708,803	(1,049,875)	(25,750)	(1,075,625)
Thomasville City Schools	TTOM	5,261,159	2,002,380	91,837	1,513,559	1,624,204	3,121,418	3,121,418	4,048,649	-	2,914,585	941,757	7,904,991	(1,017,641)	(191,883)	(1,209,524)
Troy City Board of Education	TTRY	7,795,688	2,920,592	133,950	367,292	2,368,999	1,080,957	3,951,198	5,905,197	-	4,251,097	1,462,916	11,619,210	(1,484,290)	(353,094)	(1,837,384)
Troy University	TTST	61,260,013	15,950,898	731,572	2,005,977	12,938,357	16,923,700	32,599,606	32,251,406	-	23,217,493	24,263,822	79,732,721	(8,106,502)	520,562	(7,858,940)
Trussville City Board of Education	TTCB	20,283,256	7,487,295	343,397	941,599	6,073,219	3,159,811	10,518,026	15,138,696	-	10,898,208	2,249,275	28,286,179	(3,805,164)	251,804	(3,553,360)
Tuscaloosa City Schools	TTUS	51,504,191	18,683,640	856,906	2,349,645	15,154,985	7,099,493	25,461,029	37,776,787	-	27,195,164	8,187,068	73,159,019	(9,495,326)	(386,498)	(9,881,824)
Tuscaloosa County Schools	TTLS	84,448,052	30,922,689	1,418,238	3,888,822	25,082,525	12,735,899	43,125,484	62,523,138	-	45,009,835	9,620,664	117,153,637	(15,715,406)	58,006	(15,657,400)
Tusculum City Board of Education	TTSC	6,608,169	2,542,386	116,604	319,729	2,062,222	1,548,748	4,047,303	5,140,496	-	3,700,596	983,913	9,825,005	(1,292,080)	85,495	(1,206,585)
University of Alabama System (Chancellor's Office)	TUCO	5,437,399	1,537,877	70,533	193,403	1,247,428	1,488,300	2,999,664	3,109,641	-	2,238,473	1,487,850	6,835,784	(781,574)	275,865	(505,709)
University Charter School	TUVC	2,177,192	976,983	44,808	122,865	792,467	2,135,205	3,095,345	1,975,380	-	1,422,058	3,301	3,400,739	(496,518)	677,297	180,779
University of Alabama	TUVA	220,215,581	57,432,788	2,634,097	7,222,719	46,585,837	60,923,179	117,368,832	116,124,383	-	83,596,882	73,656,638	273,377,903	(29,188,263)	6,103,986	(23,084,277)
University of Alabama—Birmingham	TUMC	546,566,499	142,146,574	6,519,409	17,876,284	115,300,291	157,732,991	297,428,975	287,408,705	-	206,902,899	187,986,006	682,277,610	(72,241,169)	14,305,406	(57,935,763)
University of Alabama—Huntsville	TUAH	52,882,284	13,303,095	610,133	1,672,991	10,790,627	18,602,348	31,676,099	26,897,766	-	19,363,456	18,568,020	64,829,242	(6,760,846)	2,223,879	(4,536,967)
University of Montevallo	TALC	26,058,565	6,776,271	310,787	852,181	5,496,482	7,292,554	13,925,004	17,292,121	-	9,863,271	10,028,997	33,593,332	(3,443,811)	13,689	(3,430,122)
University of North Alabama	TTST	40,437,703	10,520,269	482,501	1,323,024	8,533,376	12,453,411	22,792,312	21,271,121	-	15,312,886	13,974,181	50,558,188	(5,346,571)	812,896	(4,533,675)
University of South Alabama	TUSA	205,378,249	53,421,034	2,450,102	6,718,203	43,331,757	56,285,310	108,785,372	108,012,946	-	77,757,532	74,908,153	260,678,631	(27,149,427)	1,959,405	(25,190,022)
University of West Alabama	TLWC	14,608,597	4,176,526	191,552	525,238	3,387,734	6,716,278	10,820,802	8,444,594	-	6,079,186	7,329,690	21,853,470	(2,122,577)	664,019	(1,458,558)
Vestavia Hills Board of Education	TVES	33,292,362	12,240,516	561,399	1,539,361	9,928,731	5,578,609	17,608,100	24,749,931	-	17,818,808	3,731,910	46,298,037	(6,220,826)	465,275	(5,755,551)
Walker County Board of Education	TWLC	34,382,508	12,901,083	591,695	1,622,434	10,464,541	6,146,223	18,424,893	26,084,931	-	18,778,304	6,117,906	50,981,141	(6,556,537)	(649,922)	(7,206,459)
Wallace Community College—Dothan	TGWD	9,638,432	3,504,544	160,732	440,730	2,842,664	1,032,546	4,476,672	7,085,900	-	5,101,075	1,331,655	13,518,630	(1,781,066)	(249,800)	(2,030,866)
Wallace State Community College—Hanceville	TCUT	10,394,182	3,780,797	173,402	475,471	3,066,743	1,150,440	4,866,056	7,644,641	-	5,503,177	1,726,891	14,874,529	(1,921,461)	(330,242)	(2,251,703)
Washington County Board of Education	TWSH	12,438,432	4,614,953	211,660	580,374	3,743,358	1,814,690	3,500,082	9,333,057	-	6,717,342	1,521,365	17,569,764	(2,345,393)	(368,899)	(2,714,292)
Wilcox County Board of Education	TWCO	8,764,827	3,255,407	149,306	409,398	2,640,579	1,102,786	4,302,069	6,582,165	-	4,738,440	1,537,586	12,858,191	(1,654,450)	(440,904)	(2,095,354)
Winfield City Board of Education	TWFD	5,944,780	2,266,595	104,047	285,297	1,840,140	1,312,532	3,542,016	4,586,913	-	3,302,076	653,016	8,542,005	(1,155,926)	50,906	(1,102,030)
Winston County Board of Education	TWIN	11,287,369	4,748,380	217,780	597,154	3,851,585	3,461,865	8,128,384	9,600,834	-	6,911,553	19,027,535	(2,413,202)	(233,116)	(2,646,318)	
Woodlawn Community Charter School (i3 Academy)	TWDL	2,330,078	1,140,570	52,311	143,438	925,158	3,558,641	4,679,548	2,306,139	-	1,660,169	-	3,966,308	(579,657)	731,600	151,943
Total for All Employers		\$ 5,166,813,404	\$ 1,742,448,593	\$ 79,915,638	\$ 219,129,482	\$ 1,413,363,856	\$ 998,968,488	\$ 2,711,377,464	\$ 3,523,088,026	\$ -	\$ 2,536,238,858	\$ 998,968,488	\$ 7,058,295,372	\$ (885,540,303)	\$ -	\$ (885,540,303)

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

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

1) Plan Description

The Alabama Retired Education Employees' Health Care Trust (Trust) is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that administers healthcare benefits to the retired employees of participating state and local educational institutions. The Trust was established under the Alabama Retiree Health Care Funding Act of 2007 which authorized and directed the Public Education Employees' Health Insurance Board (Board) to create an irrevocable trust to fund postemployment healthcare benefits to retired members. Active and retired member health insurance benefits are paid through the Public Education Employees' Health Insurance Plan (PEEHIP). In order to comply with the reporting requirements of Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the contributions and benefit payments related to retired members that are processed through PEEHIP are segregated from PEEHIP and reported as part of the Trust. In accordance with GASB, the Trust is considered a component unit of the State of Alabama (State) and is included in the State's Annual Comprehensive Financial Report.

PEEHIP was established in 1983 pursuant to the provisions of the *Code of Alabama 1975, Title 16, Chapter 25A* (Act 455 of the Legislature of 1983) to provide a uniform plan of health insurance for active and retired employees of state and local educational institutions which provide instruction at any combination of grades K-14 (collectively, eligible employees), and to provide a method for funding the benefits related to the plan. The four-year universities participate in the plan with respect to their retired employees and are eligible to participate in the plan with respect to their active employees if they elect to do so. At this time, only two universities have elected to participate in the plan with respect to their active employees. Responsibility for the establishment of the health insurance plan and its general administration and operations is vested in the Board. The Board is a corporate body for purposes of management of the health insurance plan. The *Code of Alabama 1975, Title 16, Chapter 25A, Article 4* provides the Board with the authority to amend the benefit provisions in order to provide reasonable assurance of stability in future years for the plan. The Teachers' Retirement System of Alabama (TRS) has been appointed as the administrator of PEEHIP and, consequently, serves as the administrator of the Trust.

The assets of the Trust may not be used for any purpose other than to acquire permitted investments, pay administrative expenses, and provide postemployment healthcare benefits to or for retired members and their dependents. The Alabama Legislature has no authority or power to appropriate the assets of the Trust. The Board periodically reviews the funds available in PEEHIP and determines if excess funds are available. If excess funds are determined to be available, the Board authorizes a transfer of funds from PEEHIP to the Trust. The Board can also authorize a transfer of funds from the Trust to PEEHIP if there is a funding shortfall for any amount up to 10% of the fair market value of the Trust's assets in the previous fiscal year.

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

1) Plan Description, Continued

As of September 30, 2022, there were 195 participating employers and 11 participating universities. The following table summarizes the membership of the plan as of September 30, 2021, the date of the most recent actuarial valuation:

	TRS Membership	Number Not Eligible for or Waiving PEEHIP		PEEHIP Membership
Retired Members or Surviving Spouses				
Currently Receiving Benefits	103,071		(6,425)	96,646
Inactive Members Entitled to				
But Not Yet Receiving Benefits	26,329		(19,642)	6,687
Non-vested Inactive Members Who				
Have Not Contributed More than 5 years	31,446		(31,446)	-
Active Members	134,034		(2,419)	131,615
Total	294,880		(59,932)	234,948
	Male	Female	Total	
Retired Members Currently				
Receiving Benefits	23,313	71,136	94,449	
Surviving Spouses Currently				
Receiving Benefits	920	1,277	2,197	
Total	24,233	72,413	96,646	

PEEHIP offers a basic hospital medical plan to active members and non-Medicare eligible retired members. Benefits include inpatient hospitalization for a maximum of 365 days without a dollar limit, inpatient rehabilitation, outpatient care, physician services, and prescription drugs.

Active employees and non-Medicare eligible retired members who do not have Medicare eligible dependents can enroll in a health maintenance organization (HMO) in lieu of the basic hospital medical plan. The HMO includes hospital medical benefits, dental benefits, vision benefits, and an extensive formulary. However, participants in the HMO are required to receive care from a participating physician in the HMO plan.

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

1) Plan Description, Continued

The PEEHIP offers four optional plans (Hospital Indemnity, Cancer, Dental, and Vision) that may be selected in addition to or in lieu of the basic hospital medical plan or HMO. The Hospital Indemnity Plan provides a per-day benefit for hospital confinement, maternity, intensive care, cancer, and convalescent care. The Cancer Plan covers cancer disease only and benefits are provided regardless of other insurance. Coverage includes a per-day benefit for each hospital confinement related to cancer. The Dental Plan covers diagnostic and preventative services, as well as basic and major dental services. Diagnostic and preventative services include oral examinations, teeth cleaning, x-rays, and emergency office visits. Basic and major services include fillings, general aesthetics, oral surgery not covered under a Group Medical Program, periodontics, endodontics, dentures, bridgework, and crowns. Dental services are subject to a maximum of \$1,250 per year for individual coverage and \$1,000 per person per year for family coverage. The Vision Plan covers annual eye examinations, eyeglasses, and contact lens prescriptions.

PEEHIP members may opt to elect the PEEHIP Supplemental Plan as their hospital medical coverage in lieu of the PEEHIP Hospital Medical Plan. The PEEHIP Supplemental Plan provides secondary benefits to the member's primary plan provided by another employer. Only active and non-Medicare eligible retired members and dependents are eligible for the PEEHIP Supplemental Plan. There is no premium required for this plan, and the plan covers most out-of-pocket expenses not covered by the primary plan. The plan cannot be used as a supplement to Medicare, the PEEHIP Hospital Medical Plan, or the State or Local Governmental Plans administered by the Local Government Health Insurance Board.

PEEHIP remains the primary payer for retired members until the retired member is Medicare eligible. If a member or dependent is already Medicare eligible due to age or disability at the time of his or her retirement, the member will be enrolled in the PEEHIP Medicare Advantage Plan on the date of the member's retirement. A Medicare eligible retired member and/or Medicare eligible dependent must have both Medicare Part A (hospital insurance) and Part B (medical insurance) to have coverage with PEEHIP.

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

1) Plan Description, Continued

Effective January 1, 2020, Medicare eligible members and Medicare eligible dependents who are covered on a retired member contract were enrolled in the Humana Group Medicare Advantage plan for PEEHIP. The MAPDP plan is fully insured by Humana and members are able to have all of their Medicare Part A, Part B, and Part D (prescription drug coverage) in one convenient plan. With the Humana plan for PEEHIP, retired members can continue to see their same providers with no interruption and see any doctor who accepts Medicare on a national basis. Retired members have the same benefits in and out-of-network and there is no additional cost share for the retired member with an out-of-network provider and no balance billing from the provider.

2) Contributions

In accordance with the *Code of Alabama 1975, Title 16, Chapter 25A, Articles 8 & 8.1*, the Board is required to certify to the Governor and the Legislature, the amount, as a monthly premium per active employee, necessary to fund the coverage of active and retired member benefits for the following fiscal year. The Legislature then sets the employer premium rate in the annual appropriation bill.

Each year, the State Legislature specifies the monthly employer rate that participating employers must contribute for each active employee. The monthly employer rate for fiscal year 2022 was \$800 per active employee. Approximately, 15.257% of the employer contributions were used to assist in funding retired member benefit payments in fiscal year 2022. Act 473 of the Legislature of 2003 requires universities that do not participate in the PEEHIP to pay the required monthly rate for each university retired member who participates in the plan. The required monthly employer rate for fiscal year 2022 was \$251 per university retired member. In addition to the employer payments each month, retired members are required to pay certain premium amounts. The required monthly retired member premiums for fiscal year 2022 are as follows:

Retired Member Premiums

- Individual Coverage: Non-Medicare Eligible Retired Member – \$174
- Family Coverage: Non-Medicare Eligible Retired Member with one or more non-spousal Medicare Eligible Dependent(s) or only one non-spousal Non-Medicare Eligible Dependent – \$429
- Family Coverage: Non-Medicare Eligible Retired Member with Medicare Eligible Spouse & one or more non-spousal Medicare Eligible Dependent(s) or only one non-spousal Non-Medicare Eligible Dependent – \$459
- Family Coverage: Non-Medicare Eligible Retired Member with Non-Medicare Eligible Spouse & one or more non-spousal Medicare Eligible Dependent(s) or only one non-spousal Non-Medicare Eligible Dependent – \$529
- Family Coverage: Non-Medicare Eligible Retired Member with Medicare Eligible Spouse – \$313
- Family Coverage: Non-Medicare Eligible Retired Member with Non-Medicare Eligible Spouse - \$504
- Family Coverage: Non-Medicare Eligible Retired Member with only one non-spousal Medicare Eligible Dependent – \$288
- Individual Coverage: Medicare Eligible Retired Member – \$25

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

-Family Coverage: Medicare Eligible Retired Member with one or more non-spousal Non-Medicare Eligible Dependent(s) or more than one non-spousal Non-Medicare Eligible Dependent – \$280

2) Contributions, Continued

-Family Coverage: Medicare Eligible Retired Member with Medicare Eligible Spouse & one or more non-spousal Medicare Eligible Dependent(s) or only one non-spousal Non-Medicare Eligible Dependent – \$310

-Family Coverage: Medicare Eligible Retired Member with Non-Medicare Eligible Spouse & one or more non-spousal Medicare Eligible Dependent(s) or only one non-spousal Non-Medicare Eligible Dependent – \$380

-Family Coverage: Medicare Eligible Retired Member with Medicare Eligible Spouse – \$164

-Family Coverage: Medicare Eligible Retired Member with Non-Medicare Eligible Spouse - \$355

-Family Coverage: Medicare Eligible Retired Member with only one non-spousal Medicare Eligible Dependent – \$139

-Tobacco Surcharge - \$50 per month

-Wellness Premium - \$50 per month

-PEEHIP Supplemental Plan - \$0

-Optional Plans (Hospital Indemnity, Cancer, Dental, Vision) – up to two optional plans can be taken by retired members at no cost if the retired member is not also taking one of the hospital medical plans. Otherwise, retired members can purchase the optional plans at the normal monthly rate of \$38 or \$50 for family dental.

-For employees who retired after September 30, 2005, but before January 1, 2012, the retired member premium increased by 2% of the employer contribution for each year under 25 years of service and was reduced by 2% for each year over 25 years of service.

-Effective January 1, 2012, the retired member premiums paid by employees who retire with less than 25 years of service are increased by 4% of the employer contribution for each year under 25 years of service and are reduced by 2% for each year over 25 years of service. Additionally, non-Medicare eligible employees who retire are required to pay 1% more for each year less than age 65 (age premium) and to pay the net difference between the active employee subsidy and the non-Medicare eligible retired member subsidy (subsidy premium). When the retired member becomes Medicare eligible, the age and subsidy premiums no longer apply. However, the years of service premium (if applicable to the retired member) will continue to be applied throughout retirement. These changes were phased in over a five-year period ending October 1, 2016.

Surviving Spouse Premiums

-Individual: Non-Medicare Eligible Surviving Spouse – \$945

-Family Coverage: Non-Medicare Eligible Surviving Spouse with one or more Medicare Eligible Dependent(s) or only one Non-Medicare Eligible Dependent– \$1,261

-Family Coverage: Non-Medicare Eligible Surviving Spouse with only one Medicare Eligible Dependent – \$980

-Individual: Medicare Eligible Surviving Spouse – \$214

-Family Coverage: Medicare Eligible Surviving Spouse with one or more Medicare Eligible Dependent(s) or only one Non-Medicare Eligible Dependent – \$627

-Family Coverage: Medicare Eligible Surviving Spouse with only one Medicare Eligible Dependent – \$327

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

The rates above do not reflect any discounts, waivers, or retired member sliding scale adjustments.

3) Net Other Postemployment Benefit (OPEB) Liability

The components of the net OPEB liability for benefits determined in accordance with GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as of September 30, 2022, were as follows:

Total OPEB Liability	\$ 3,376,169,593
Less: Fiduciary Net Position	1,633,721,000
Net OPEB Liability	<u>\$ 1,742,448,593</u>

Fiduciary Net Position as a
Percentage of the Total OPEB Liability **48.39%**

The total OPEB liability (TOL) is based on the actuarial valuation as of September 30, 2021. The result is rolled forward using standard actuarial techniques to the measurement date. The roll forward calculation adds the normal cost (also called the service cost) for the period October 1, 2021, through September 30, 2022, subtracts the actual benefit payments for the same period, and then applies the single equivalent interest rate (SEIR) for the period. If applicable, actuarial gains and losses arising from benefit changes, the differences between estimates and actual experience, and changes in assumptions or other inputs are reconciled to the TOL as of the measurement date. The following table shows the procedure used to determine the TOL as of September 30, 2022:

TOL as of September 30, 2021* (a)	\$ 7,088,911,404
Actual Benefit Payments and Refunds for the Period October 1, 2021, through September 30, 2022 (b)	\$ (186,253,000)
Interest on TOL (c) [(a) x (Prior SEIR)] + [(b) x (Prior SEIR x 0.5)]	\$ 277,732,661
Service Cost for the Period October 1, 2021, through September 30, 2022, at the End of the Period (d)	\$ 162,866,487
Change Due to Change in Experience (e)**	\$ (2,685,297,272)
Change Due to Change in Assumptions (f)***	\$ (1,281,790,687)
TOL as of September 30, 2022 (g) (g) = (a) + (b) + (c) + (d) + (e) + (f)	\$ 3,376,169,593

*The TOL as of September 30, 2021, was calculated using the discount rate as of the prior measurement date.

**Change due to Experience includes demographic changes such as retirements, terminations, disabilities, and deaths different from expected as well as claims costs different than expected. The major cause of the gain was lower than anticipated claims for Medicare eligible retirees, which are based up on negotiated premium rate increases through calendar year 2025.

***Change due to Assumptions was primarily due to the new experience study.

The change in health care cost trend rate resulted in a lower liability which was offset by the change in discount rate resulting in an overall liability gain.

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

4) Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of September 30, 2021, and rolled forward to the measurement date of September 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected Salary Increases ¹	3.25% - 5.00%
Long-Term Investment Rate of Return ²	7.00%
Municipal Bond Index Rate at the Measurement Date	4.40%
Municipal Bond Index Rate at the Prior Measurement Date	2.29%
Projected Year for Fiduciary Net Position (FNP) to be Depleted	N/A
Single Equivalent Interest Rate at the Measurement Date	7.00%
Single Equivalent Interest Rate at the Prior Measurement Date	3.97%
Healthcare Cost Trend Rate Pre-Medicare Eligible	6.50%
Medicare Eligible	**
Ultimate Trend Rate Pre-Medicare Eligible	4.50% in 2031
Medicare Eligible	4.50% in 2027
Optional Plan Trend Rate	2.00%

¹Includes 2.75% wage inflation.

²Compounded annually, net of investment expense, including inflation.

**Initial Medicare claims are set based on scheduled increases through Plan Year 2025.

The rates of mortality are based on the Pub-2010 Public Mortality Plans Mortality Tables, adjusted generationally based on scale MP-2020, with an adjustment of 66-2/3% to the table beginning in 2019. The mortality tables are adjusted forward and/or back depending on the plan and group covered, as shown in the table below.

Group	Membership Table	Set Forward (+)/Set Back (-)	Adjustment to Rates
Active Members	Teacher Employee Below Median	None	65%
Service Retirees	Teacher Below Median	Male: +2 Female: +2 Male: +8	Male: 108% ages < 63, 96% ages > 67; Phasing down 63 - 67 Female: 112% < 69, 98% ages > 74; Phasing down 69 - 74
Disabled Retirees	Teacher Disability	Female: +3 Male: +2	None
Beneficiaries	Teacher Contingent Survivor Below Median	Female: None	None

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

4) Actuarial Assumptions, Continued

The decremental assumptions used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2020, submitted to and adopted by the TRS Board on September 13, 2021.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) were based on the actuarial valuation as of September 30, 2021.

The long-term expected return on plan assets is to be reviewed as part of regular experience studies prepared every five years, in conjunction with similar analysis for the TRS. Several factors should be considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation), as developed for each major asset class. These ranges should be 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 then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected rate of return on the OPEB plan investments will be determined based on the allocation of assets by asset class and by the mean and variance of real returns. The target asset allocation and best estimates of expected geometric real rates of return for each major asset class are to be summarized in a manner suggested by the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Fixed Income	30.00%	4.40%
U.S. Large Stocks	38.00%	8.00%
U.S. Mid Stocks	8.00%	10.00%
U.S. Small Stocks	4.00%	11.00%
International Developed		
Market Stocks	15.00%	9.50%
Cash	5.00%	1.50%
Total	<u>100.00%</u>	

* Geometric mean, includes 2.50% inflation.

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
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4) Actuarial Assumptions, Continued

The discount rate (also known as SEIR, as described by GASB Statement No. 74) used to measure the total OPEB liability was 7.00%. Premiums paid to PEEHIP for active employees include an amount to partially fund the cost of coverage for retired employees. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made at the current contribution rates. Each year, the State specifies the monthly employer rate that participating school systems must contribute for each active employee. Currently, the monthly employer rate is \$800 per non-university active member. Approximately, 15.257% of the employer contributions were used to assist in funding retired member benefit payments in 2022 and it is assumed that the amount will increase or decrease at the same rate as expected benefit payments for the closed group with a cap of 20.00%. It is assumed the \$800 rate will increase with inflation at 2.5% starting in 2027. The discount rate determination will use a municipal bond rate to the extent the Trust is projected to run out of money before all benefits are paid. Projected future benefit payments for all current plan members are projected through 2120.

The following table presents the net OPEB liability of the Trust calculated using the current healthcare trend rate, as well as what the net OPEB liability would be if calculated using one percentage point lower or one percentage point higher than the current rate:

1% Decrease (5.50% decreasing to 3.50% for pre-Medicare and Known decreasing to 3.50% for Medicare Eligible)	Current Healthcare Trend Rate (6.50% decreasing to 4.50% for pre-Medicare and Known decreasing to 4.50% for Medicare Eligible)	1% Increase (7.50% decreasing to 5.50% for pre-Medicare and Known decreasing to 5.50% for Medicare Eligible)
\$ 1,321,302,322	\$ 1,742,448,593	\$ 2,258,944,860

The following table presents the net OPEB liability of the Trust calculated using the discount rate of 7.00%, as well as what the net OPEB liability would be if calculated using one percentage point lower or one percentage point higher than the current rate:

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 2,154,280,359	\$ 1,742,448,590	\$ 1,396,728,111

Alabama Retired Education Employees' Health Care Trust
Notes to the Schedules of Employer Allocations & Other Postemployment Benefit Amounts by
Employer
As of and for the Fiscal Year Ended September 30, 2022

5) Basis and Calculation of Employer Cost Share

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions*, requires participating employers to recognize their proportionate share of the net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense. Employer contributions per active member per month are summed and the contributions of any new units joining during the year are annualized to determine total employer contributions. Separately, the percentage of the retired members' expenses paid for by the per active member per month amount is calculated. For all participating agencies with both active and retired members participating in PEEHIP, the total employer contributions is reduced by the total retired member cost paid for by employer contributions from the universities where only retired members participate. It is not reduced by the previously discussed percentage. This calculation produces, by agency, their component of employer contributions specifically used for retired members and their dependents as the employer's cost share.

6) 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 OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Trust and additions to/deductions from the fiduciary net position of the Trust have been determined on the same basis as they are reported. For this purpose, benefit payments (including refunds of employer and 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 States 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.

7) Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer (including the disclosure of the net OPEB liability and the unqualified audit opinion on the financial statements) is located in the Trust's financial statements for the fiscal year ended September 30, 2022. The supporting actuarial information is included in the GASB Statement No. 74 Report for PEEHIP prepared as of September 30, 2022. The additional financial and actuarial information is available at www.rsa-al.gov.

Supplementary Schedules

Alabama Retired Education Employees' Health Care Trust
Schedule of Rate Sensitivity, Amortization of Deferred Outflows/(Inflows), and Employer Contributions
As of and for the Fiscal Year Ended September 30, 2022
(Dollar Amounts Not in Thousands)

Employer	Employer Code	Projected Deferred Outflows/(Inflows) to be Recognized in OPEB Expense for the Fiscal Year Ended September 30										2022 Actual Employer Contributions
		Net OPEB Liability @ Minus 1% Trend	Net OPEB Liability @ Plus 1% Trend	Net OPEB Liability @ Minus 1% (6.00%)	Net OPEB Liability @ Plus 1% (8.00%)	2024	2025	2026	2027	2028	Thereafter	
School Superintendents of Alabama	TSAL	44,871	76,713	73,159	47,432	(31,239)	(36,873)	(26,724)	(22,799)	(24,607)	(17,162)	6,490
Scottsboro Board of Education	TSCO	3,409,220	5,828,522	5,558,467	3,603,833	(2,754,702)	(2,816,007)	(1,305,414)	(1,161,517)	(1,599,832)	(983,825)	493,099
Selma Public Schools	TSMa	3,781,110	6,464,318	6,164,804	3,996,952	(3,882,030)	(3,749,456)	(1,854,478)	(1,573,314)	(1,893,596)	(1,055,272)	546,888
Sheffield City Board of Education	TSHF	1,524,818	2,606,883	2,486,097	1,611,862	(1,234,743)	(1,263,813)	(563,605)	(506,621)	(710,177)	(417,509)	220,545
Shelby County Board of Education	TSBY	28,875,900	49,367,253	47,079,903	30,524,264	(21,801,666)	(23,308,219)	(10,943,269)	(11,000,969)	(15,099,482)	(7,197,570)	4,176,521
Shelton State Community College	TTVS	2,751,511	4,704,079	4,486,123	2,908,579	(2,380,989)	(2,428,710)	(1,146,629)	(1,146,629)	(1,453,223)	(894,506)	397,970
Snead State Community College	TSJC	947,808	1,620,406	1,545,327	1,001,913	(854,981)	(895,294)	(580,626)	(513,851)	(558,157)	(321,012)	137,088
Southern Union State Community College	TSUC	2,268,598	3,698,475	3,698,772	2,398,100	(1,745,620)	(1,860,543)	(899,040)	(811,843)	(1,106,267)	(627,603)	328,123
Special Programming for Achievement Network	TBSC	386,651	661,032	630,404	408,723	(405,638)	(417,393)	(240,586)	(212,454)	(238,057)	(131,509)	55,924
St. Clair County Board of Education	TSTC	10,682,163	18,262,600	17,416,433	11,291,948	(8,209,632)	(8,727,562)	(4,242,386)	(3,931,629)	(5,361,599)	(3,217,643)	1,545,035
State of Alabama--High School of Math & Science	THMS	659,514	1,127,527	1,075,285	697,161	(472,105)	(519,173)	(316,873)	(256,652)	(294,075)	(205,414)	95,390
Sumter County Board of Education	TSUM	1,789,004	3,058,544	2,916,831	1,891,128	(2,066,863)	(2,044,456)	(1,075,960)	(846,359)	(901,665)	(504,590)	258,756
Sylacauga City Board of Education	TSYL	2,832,513	4,842,564	4,618,192	2,994,206	(2,331,113)	(2,461,371)	(1,222,989)	(1,060,690)	(1,349,388)	(783,888)	409,686
Talladega City Board of Education	TTAL	2,588,613	4,425,584	4,220,532	2,736,383	(2,330,710)	(2,311,575)	(1,107,613)	(1,011,211)	(1,343,433)	(790,602)	374,409
Talladega County Board of Education	TTDG	9,673,720	16,538,532	15,772,246	10,225,939	(8,086,372)	(8,296,298)	(3,980,773)	(3,563,302)	(4,764,014)	(2,881,074)	1,399,177
Tallapoosa County Board of Education	TTPS	3,782,665	6,466,977	6,167,340	3,998,596	(3,299,600)	(3,388,371)	(1,261,336)	(1,329,660)	(1,775,448)	(1,081,299)	547,113
Tallassee City Board of Education	TTAS	2,031,750	3,473,551	3,312,609	2,147,731	(1,773,957)	(1,740,276)	(783,117)	(677,752)	(919,179)	(547,044)	293,866
Tarrant Board of Education	TTAR	1,566,502	2,678,147	2,554,059	1,655,925	(1,226,794)	(1,273,729)	(578,047)	(529,482)	(754,275)	(468,469)	226,574
Thomasville City Schools	TTOM	1,518,409	2,595,925	2,475,648	1,605,087	(1,353,208)	(1,311,617)	(574,596)	(475,584)	(652,042)	(416,526)	219,618
Troy City Board of Education	TTRY	2,214,691	3,786,313	3,610,880	2,341,115	(2,010,955)	(2,065,676)	(1,015,834)	(867,136)	(1,081,415)	(626,996)	320,326
Troy University	TTST	12,095,599	20,679,060	19,720,930	12,786,069	(11,985,670)	(11,258,902)	(3,145,153)	(4,802,015)	(9,535,971)	(6,405,404)	1,749,470
Trussville City Board of Education	TTCB	5,677,631	9,706,677	9,256,934	6,001,735	(4,337,811)	(4,668,369)	(2,248,249)	(2,060,992)	(2,797,801)	(1,654,931)	821,195
Tuscaloosa City Schools	TTUS	14,167,843	24,221,841	23,009,562	14,976,606	(11,650,013)	(12,261,508)	(6,375,685)	(5,784,854)	(7,354,285)	(4,271,645)	2,049,193
Tuscaloosa County Schools	TTLS	23,448,738	40,088,786	38,231,338	24,787,296	(18,288,654)	(19,364,743)	(9,410,264)	(8,527,452)	(11,494,010)	(6,943,030)	3,391,553
Tuscumbia City Board of Education	TTSC	1,927,896	3,296,000	3,143,285	2,037,949	(1,401,897)	(1,506,630)	(734,277)	(686,995)	(931,145)	(516,758)	278,845
University of Alabama System (Chancellor's Office)	TUCO	1,166,175	1,993,734	1,901,358	1,232,746	(877,344)	(909,309)	(246,884)	(413,368)	(846,458)	(542,757)	168,672
University Charter School	TUWC	740,848	1,266,580	1,207,895	783,139	(74,327)	(160,427)	48,296	26,601	(153,156)	(141,035)	107,154
University of Alabama	TUVA	43,551,400	74,457,004	71,007,161	46,037,507	(35,208,719)	(35,776,093)	(10,351,383)	(17,177,349)	(34,492,203)	(23,006,324)	6,299,140
University of Alabama--Birmingham	TUMC	107,790,037	184,281,634	175,743,247	113,943,170	(88,369,417)	(88,752,434)	(24,437,730)	(41,330,974)	(84,792,940)	(57,185,140)	15,590,418
University of Alabama--Huntsville	TUAH	10,087,764	17,246,395	16,447,312	10,663,618	(7,211,817)	(7,429,374)	(1,743,665)	(3,413,182)	(7,727,171)	(5,627,934)	1,459,063
University of Montevallo	TUAL	5,138,460	8,784,892	8,377,858	5,431,786	(4,879,991)	(4,740,809)	(1,319,456)	(1,986,107)	(3,988,380)	(2,726,585)	743,211
University of North Alabama	TFST	7,977,542	13,638,686	13,006,760	8,432,935	(6,627,187)	(6,620,375)	(1,826,761)	(2,729,901)	(5,731,562)	(4,230,090)	1,153,847
University of South Alabama	TUSA	40,509,279	69,256,087	66,047,220	42,821,728	(35,828,035)	(35,176,439)	(10,386,416)	(16,525,049)	(32,491,064)	(21,486,256)	5,859,137
University of West Alabama	TLVC	3,167,069	5,414,532	5,163,658	3,347,859	(2,231,689)	(2,451,273)	(649,717)	(1,431,865)	(2,819,355)	(1,448,769)	458,075
Vestavia Hills Board of Education	TVES	9,282,008	15,868,847	15,133,590	9,811,866	(6,882,233)	(7,509,642)	(3,683,175)	(3,355,064)	(4,533,145)	(2,762,678)	1,342,521
Walker County Board of Education	TWLK	9,782,918	16,725,220	15,950,284	10,341,370	(8,029,324)	(8,436,789)	(4,280,165)	(3,808,002)	(4,840,866)	(2,761,102)	1,414,971
Wallace Community College--Dothan	TGWD	2,657,503	4,543,360	4,332,851	2,809,205	(2,307,674)	(2,394,201)	(1,169,520)	(1,033,405)	(1,339,481)	(797,677)	384,373
Wallace State Community College--Hanceville	TCUT	2,866,986	4,901,500	4,674,397	3,030,646	(2,559,501)	(2,608,893)	(1,315,108)	(1,175,873)	(1,489,187)	(859,911)	414,672
Washington County Board of Education	TWSH	3,499,529	5,982,917	5,705,708	3,699,297	(3,032,881)	(3,011,550)	(1,340,999)	(1,181,854)	(1,642,493)	(1,009,905)	506,161
Wilcox County Board of Education	TWIL	2,468,581	4,220,374	4,024,829	2,609,499	(2,324,657)	(2,262,374)	(1,088,121)	(951,118)	(1,218,936)	(710,916)	357,048
Winfield City Board of Education	TWFD	1,720,280	2,941,051	2,804,783	1,818,481	(1,290,020)	(1,339,246)	(595,284)	(535,959)	(770,101)	(469,379)	248,816
Winston County Board of Education	TWIN	3,600,706	6,155,894	5,870,670	3,806,250	(2,907,300)	(2,949,440)	(1,291,214)	(1,238,526)	(1,714,604)	(798,067)	520,795
Woodlawn Community Charter School (i3 Academy)	TWDL	864,897	1,410,147	1,410,147	914,269	27,667	4,963	401,687	363,269	46,537	(130,883)	125,096
Total for All Employers		\$ 1,321,302,322	\$ 2,258,944,860	\$ 2,154,280,359	\$ 1,396,728,111	\$ (1,075,397,353)	\$ (1,110,083,314)	\$ (482,108,460)	\$ (487,616,886)	\$ (735,321,250)	\$ (456,390,645)	\$ 190,965,060

See Independent Auditors' Report.