



THE RETIREMENT SYSTEMS OF ALABAMA

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May 16, 2024

TO: TRS Participating Units
FROM: RSA Accounting
SUBJECT: FY 2025 Employer Contribution Rates & Factors

This letter should be forwarded to your Accounting and Payroll Departments. Please retain this letter as it contains important information related to your unit’s fiscal year 2025 employer contribution rates and factors. These factors will begin to be applied to the first payroll where the PAY PERIOD END DATE is on or after October 1, 2024 per your unit’s DPAS payroll schedule.

Your unit’s contribution rates and factors for fiscal year 2025 (October 1, 2024 through September 30, 2025) are shown in the chart below.

FY 2025 TRS Employer Contribution Rate		
	Tier 1 Employees	Tier 2 Employees
Employer Contribution Rate		
Normal	2.61%	1.64%
Accrued Liability	10.64	10.64
Death Benefit	0.02	0.02
Term Life	0.05	0.05
Administration	0.25	0.25
Total ER Contribution Rate	<u>13.57%</u>	<u>12.60%</u>
Employee Contribution Rate		
Regular Employee	7.50%	6.20%
FLC* Employee	8.50%	7.20%
Employer Contribution Factor		
Regular Employee	1.809333	2.032258
FLC* Employee	1.596471	1.750000
*FLC= Firefighters, Law Enforcement, and Correctional Officers		

Note: These factors will begin to be applied to the first payroll where the PAY PERIOD END DATE is on or after October 1, 2024 per your unit’s DPAS payroll schedule.