

annual report **2024**



PROPELLED BY

PURPOSE



24 FUNDS managed / **\$56 BILLION** in assets

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Pictured on Cover, left to right from top to bottom

RSA architectural branding; RTJ Golf Trail at Ross Bridge; Honor Court at the RSA Dexter Avenue Building; RSA Headquarters; Montgomery skyline featuring the RSA Tower; Renaissance Birmingham Ross Bridge Golf Resort & Spa; RSA Centennial Hill Building rendering; The Grand Hotel Golf Resort & Spa, Autograph Collection



PURPOSE

DRIVEN



top RTJ Golf Trail at Capitol Hill bottom left to right RSA Dexter Avenue Datacenter; RTJ Golf Trail at Highland Oaks; Alabama Center for Commerce; National Village

As we look back on 2024, the RSA takes great pride in the many projects and improvements we've contributed to over the past year. Driven by purpose, we are dedicated to playing a crucial role in the development of several key buildings across Alabama. These structures impact various facets of our state, bolstering our economic systems.

Our commitment goes beyond financial gains; we are deeply motivated to invest in ways that shape the future for our members and the generations to come. Our passion lies in transforming lives and enhancing Alabama, which helps to guide our decisions.

Every day, we strive to make investments that not only maximize our investment return and serve the interests of our members, but also significantly impact how Alabama can attract people to our state and expand opportunities for its residents.



A LETTER FROM
DR. BRONNER

The Boards of Control and the Retirement Systems of Alabama (RSA) staff are pleased to present the 48th Annual Report for the fiscal year ended September 30, 2024.

The RSA currently manages 24 funds with aggregate assets of approximately \$56.1 billion. For fiscal year 2024, the Teachers' Retirement System (TRS) assets totaled \$31.9 billion, the Employees' Retirement System (ERS) assets totaled \$16.5 billion, and the Judicial Retirement Fund (JRF) assets totaled \$371.8 million. The annualized return was 21.10% for the TRS, 21.21% for the ERS, and 22.21% for the JRF. Our peer group ranking (State Street Public Funds Universe greater than \$1 billion) for last fiscal year was in the top 20th percentile on a dollar-weighted basis. The five-year rankings were slightly below the median, while the ten-year rankings were slightly above the median.

Fiscal year 2024 again confounded the skeptics on both the economic and asset return front. When the new year started, the odds from market pundits were a 65% chance a recession would unfold in the next 12 months. The driving force behind the forecast was that the Federal Reserve had its foot on the gas pedal since early 2022, raising the Fed Funds rate over 5% in a period of 15 months. History would suggest that a rapid rate hike of this nature typically ends poorly. As the year unfolded, we did see inflation come off the boil and labor markets loosened to an extent but still remained firm enough to support continued spend by consumers. As of now, the rate hiking cycle is finally over with the Federal Open Market

Committee (FOMC) cutting the Fed Funds rate ½% at the September meeting. The inverted yield curve that has persisted for nearly two years finally uninverted, but only marginally so.

We have just completed the presidential election, with a somewhat surprising Republican sweep. Some of the biggest changes coming will likely be increasing tariffs as well as changes in immigration policies. Both of these changes have the financial markets debating whether we will see a resurgence in inflation. There is also likely to be a cut in the corporate tax rate under the new administration. It will be interesting to see how all these policy changes interact, but in all likelihood we see the Federal deficit issue still taking a backseat to other issues deemed more important.

The geopolitical environment has arguably gotten worse over the last year. The Russia/Ukraine war continues unabated, and the Middle East skirmish has now blossomed into a full-blown conflict. We are not sure how it could be resolved, as Israel seems to be running its own course and ignoring diplomatic outreach to bring the conflict to an end. As for China, they have been dealing with their own internal problems. They have been in a relative economic funk, with much higher-than-average unemployment and a housing bear market. The

Chinese government seems to have finally gotten the message as they have ramped up fiscal spending to try and jumpstart the economic quagmire they are currently experiencing.

Looking back at last year, all the asset classes in the portfolios had positive returns. U.S. large capitalization stocks were the best performer by a wide margin, with the megacap companies contributing outsized gains. We did see improving breadth throughout the year, as mid- and small-cap indices did quite well. After leading the pack last year, international equities had a good follow-through year, even though several European countries have been flirting with recessions. We did continue to pare back our overweighting in stocks into strength, with the goal of getting the weighting back to target in the foreseeable future.

The fixed-income portion of the portfolio did well with a total return in the low double digits. We have been reallocating some of our equity portfolio into fixed income as interest rates have moved higher over the past couple of years. This has been a welcomed relief from the lower-for-longer environment that we lived in seemingly since the Great Recession. Real estate had a more subdued year after vastly outperforming last year. Operationally, everything did well, and profits were up nicely, but we do not employ leverage on the properties, so we tend to lag for a while in market rebounds.

The Robert Trent Jones Golf Trail continued to excel as an investment, boasting over 685,000 rounds in 2024. The Trail opened in 1992, and this year surpassed the 14.5 million round mark! On an annual basis, the Trail welcomes golfers and tourists from all 50 states and more than 30 countries. The Trail continues to be recognized for the quality

of its golf courses, as *Golfweek* ranked 7 of the Trail's courses in its top 10 courses you can play in Alabama for 2024.

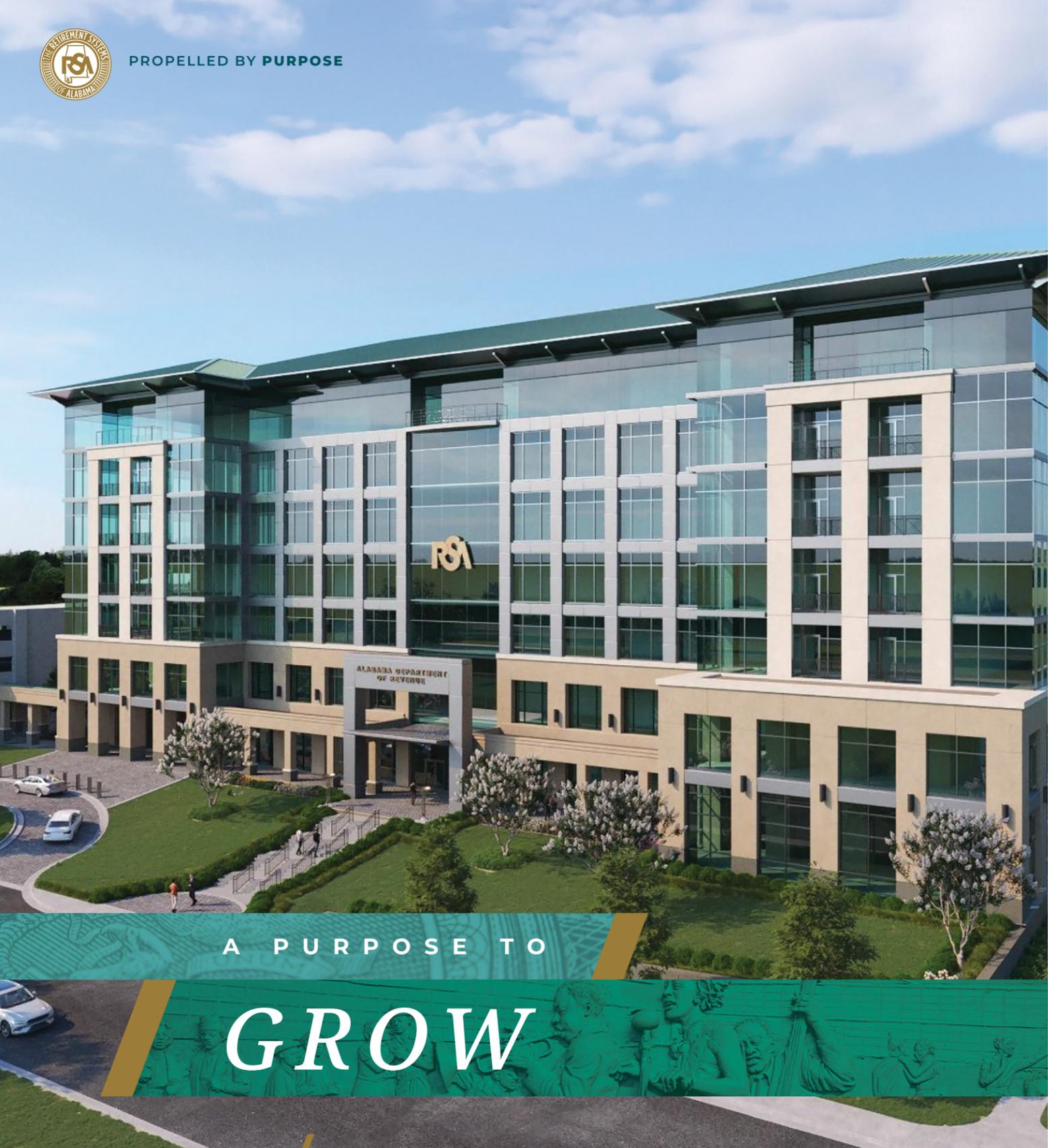
The RSA-owned hotels and resorts also produced record results in fiscal 2024, which garnered several properties "Best in Class" awards and acknowledgment from Marriott Corporation. The Grand Hotel Golf Resort & Spa, Autograph Collection led the way, finishing #2 out of 153 Autograph properties in guest service excellence. The Montgomery Marriott Prattville Hotel & Conference Center at Capitol Hill, Renaissance Mobile Riverview Plaza Hotel, Renaissance Birmingham Ross Bridge Golf Resort & Spa, and Auburn Marriott Opelika Resort & Spa at Grand National each finished in the top 5% of their perspective categories. The Battle House Renaissance Mobile Hotel & Spa and the Marriott Shoals Hotel & Spa each finished in the top 10% of their perspective brands in guest service excellence, as well.

The staff will continue to purchase and develop investments that will facilitate the mission of the RSA: To serve the interests of our members by preserving the excellent benefits and soundness of the Systems while providing these at the least expense to the state of Alabama and all Alabama taxpayers. With the continued cooperative efforts of the Boards of Control, the RSA staff, and the Alabama Legislature, this goal will be achieved.

David G. Bronner
CHIEF EXECUTIVE OFFICER

The AlabamaGermany Partnership (AGP), a statewide non-profit organization to ensure German investment in Alabama, hosted its 26th Annual Celebration Dinner in February 2024. The AGP recognized the RSA with the **Rainer Bauer Award** for its key role in recruiting Mercedes-Benz to Alabama.





A PURPOSE TO

GROW

A rendering of the **RSA Centennial Hill Building**. This new Class A office building and associated parking facilities will benefit the surrounding areas with streetscape improvements and increased foot traffic.

ALABAMA DEPARTMENT OF REVENUE

As part of the RSA's early diversification strategy, we committed to investing in real estate in addition to other asset classes.

Our aim is not only to maximize our investment returns but also to positively impact Alabama residents and members of the RSA. We've found that our investments are not only financially sound, but enhance quality of life, with funds from these investments staying within Alabama.

A prime example of this is the RSA Centennial Hill Building, which will house the Alabama Department of Revenue. This 260,000-square-foot office building, located on the last remaining parcel from the original St. Margaret's Hospital property in downtown Montgomery, also includes a 450-space parking deck.

Inside, visitors will find Class A office space, consistent with other high-quality RSA developments. By consolidating most of their operations into this single location, the Alabama Department of Revenue will operate more efficiently. Additionally, the building's design and features are intended to attract and retain employees. The exterior boasts elements the RSA is known for, including sculptures that connect the building to the local history and the community.

The property is structured with a long-term lease to the Alabama Department of Revenue, while the RSA retains ownership of the real estate.



A PURPOSE OF

EXPLORATION



The RSA's **Shoals Industrial Facility** was sold in early 2024 and will be reinvented as an "aerospace center of excellence" by new owners Rocket Shoals LLC.

LAUNCHING AN AEROSPACE HUB

At the RSA, we continue to drive revenue with smart real estate and economic development investments that bring real benefits to our members and our state. With the purpose of moving Alabama forward, in January 2024, we sold our nearly mile-long, 2.27 million square foot Shoals industrial facility for \$190 million to Rocket Shoals LLC, an affiliate of AE Industrial (AEI) Partners. This private investment firm, of which we are an investor, maintains \$6.2 billion of assets including 130+ investments in aerospace, national security, and industrial services.

Benefiting from its deep industry knowledge, AEI has plans to convert the massive plant situated on 638 acres into an aerospace, space, and defense production hub for military and commercial clients. AEI is purposefully working to establish North Alabama as an aerospace corridor. The corridor from The Shoals extending east to Huntsville is already home to a growing cohort of aerospace engineers and technology professionals. Huntsville's Redstone Arsenal houses the Army's missile defense and aviation programs and NASA's Marshall Space Flight Center. **Moving forward, our goal is to find new ways to invest in projects that ensure our state remains on the forefront of tomorrow's technology.**



A PURPOSE OF

PUBLIC SAFETY

ALABAMA BUREAU OF PARDONS AND PAROLES

In late November 2023, we completed the renovation of the Alabama Bureau of Pardons and Paroles building. The operations and administration teams quickly moved in and began their long-term lease with the RSA. One of the most significant changes was the incorporation of design features that maximized the ceiling height, addressing the limitations of the previous design.

With over a year of operation, the renovated space has proven essential in providing secure and efficient facilities for its occupants. **This project stands out as one of the most meaningful of the recent past, as it has contributed to promoting and enhancing public safety.**

The new office space enables the Alabama Bureau of Pardons and Paroles to effectively pursue its mission of rehabilitating adult offenders in our state.

With this renovation completed, the RSA's Criminal Justice Center complex in downtown Montgomery is now fully leased.

The Alabama Board of Pardons and Paroles, the three-member board that decides whether to grant paroles and pardons along with its support staff, moved into the **RSA Criminal Justice Center** in late 2023.



A PURPOSE TO

IMPACT

A rendering of the new **Alabama State House**, currently under construction, to be leased to the Alabama Legislature under a contract that will earn the RSA 8% on its investment.

THE NEW ALABAMA STATE HOUSE

Built in 1963, the current Alabama State House has long served as the home for various state agencies, including the Alabama Legislature. However, the building had become outdated and inadequate for the needs of the Legislature, with significant repairs and upgrades required due to its age and heavy use.

Our goal in developing a new Alabama State House is to provide a modern facility that better represents the branches of state government that directly impact our citizens. The new State House will feature a parking deck, attractive green spaces, and enhancements for public safety and security, improved public access, operational efficiency, and energy conservation.

Our involvement in the construction and leasing of this new State House continues a 30-year tradition of investing in office buildings that deliver both fiscal efficiency and operational effectiveness for state government. Given the high cost of repairing and expanding the existing structure, building a new State House was the most responsible financial choice. With our resources and extensive development experience, the RSA was a natural partner for the Legislature in this endeavor, adding another successful project to our portfolio of municipal office buildings.



Investments in Alabama

ACON Alabama Energy Investors* / Tuscaloosa
 ADEM Laboratory* / Montgomery
 Alabama Cruise Terminal* / Mobile
 Alabama River Group, Inc.* / Monroeville
 Alabama River Chip Mill* / Monroeville
 Alabama River Recycling* / Monroeville
 Alabama State Bar Building* / Montgomery
 Barton AL Property* / Florence
 Bell Microproducts* / Montgomery
 CIBA-GEIGY Chemical Company* / Mobile
 Circle S Industries* / Selma
 Colony at the Grand / Point Clear, Real Estate and Condo Development
 CNHI, LLC / Montgomery
 Conventional Mortgages* / Alabama Loans, Residential Funding, MGIC, FBS—were the servicers
 Danberry at Inverness* / Birmingham
 Daniel Senior Living, LLC* / Assisted Living Facilities in Huntsville and Birmingham
 Dole Foods* / Birmingham
 Dominion Senior Living of West Mobile* / Mobile
 Drummond Company* / Birmingham
 Dynamit Nobel Chemical Company* / Mobile
 Embassy Suites* / Montgomery
 Fairway Outdoor Advertising* / Statewide
 First Alabama Bancshares* / Birmingham
 GKN Aerospace* / Tallassee
 Gordon Persons Building* / Montgomery
 Gulf Coast Exploration & Science Theatre* / Mobile
 IDB Southwire Med. Volt Cable Company* / Heflin
 IPSCO Saskatchewan, Inc.* / Mobile
 Kay-Fries, Inc.* / Theodore
 Kvaerner Oilfields Products* / Mobile
 Mercedes Benz U.S.* / Tuscaloosa
 National Village / Auburn / Opelika
 Navistar Diesel of Alabama, LLC* / Huntsville
 Navistar Big Bore Diesels, LLC* / Huntsville

Office Buildings and Parking Decks:
 — Alabama Center for Commerce+ / Montgomery
 — Alabama Community College System / Montgomery
 — RSA Criminal Justice Center+ / Montgomery
 — RSA Dexter Avenue Building (Datacenter)+ / Montgomery
 — RSA Headquarters+ / Montgomery
 — RSA Plaza+ / Montgomery
 — RSA Tower Complex (Includes the RSA Tower, RSA Activity Center, Helen Hunt Early Learning Center, and RSA Pavilion)+ / Montgomery
 — RSA Union+ / Montgomery
 — Royal Street Parking Deck+ / Mobile
 — RSA Battle House Tower+ / Mobile
 — RSA 2 North Royal / Mobile
 — RSA Trustmark Building+ / Mobile
 — RSA Van Antwerp Building / Mobile
 PCH Hotels & Resorts / Alabama Real Estate Holdings Management Company / Statewide
 Perdido Beach Hilton* / Gulf Beach Hotel
 Point Clear Partners, LLC* / Point Clear, Real Estate and Condo Development
 PPG Industries* / Huntsville
 Raycom Media* / Montgomery
 Robert Trent Jones Golf Trail / Golf Courses, Statewide
 Rohr* / (IDB City of Foley)
 RSA Resort Hotel Properties / Statewide
 Signal International* / Mobile
 SiO2 Materials Science / Auburn
 Springhill Medical Center* / Mobile
 SunBelt Golf Corporation Management Company / Statewide
 The Explore Center, Inc.* / Mobile
 The Shops of Grand River / Leeds
 USB-IDB United Technology* / Huntsville
 US Steel* / Fairfield
 Walmart Distribution Center* / Cullman
 Williamson Commerce Center* / Anniston
 Wise Metals* / Florence
 World Marine* / Mobile

*Fully Paid +Includes Parking Deck



A Legacy of Protecting Our Members' Interests

LEGAL

In fiscal year 2024, the RSA Legal Division handled a wide variety of matters involving the many areas of law that pertain to the RSA's operations, including pension law, fiduciary and trust law, constitutional law, health law, securities law, contract law, construction and real estate law, tax law, and employment law.

The RSA legal staff provides legal advice and assistance daily on issues that arise during the course of business. These issues include benefits and administrative operations, contract negotiation and interpretation, and application and implementation of state and federal statutory and regulatory requirements. The RSA legal staff also works to address issues that arise in relation to the RSA's real estate holdings and other investments, providing legal advice on general operational issues, investment projects, and ongoing court cases.

Litigation is a mainstay of the RSA legal staff's responsibilities. The legal staff has appeared in court to defend the RSA's and its members' interests in cases involving constitutional, statutory, and administrative issues. Cases litigated during 2024 have involved practice areas including benefits law, constitutional law, real estate law, and administrative law. The legal staff has also pursued litigation challenging property determinations that affect the RSA's real estate operations.

Legal staff further supported the RSA in drafting, negotiating, and reviewing contracts essential to RSA's operations. The legal staff successfully protected members' interests in negotiating several significant contracts, including a significant agreement for pharmaceutical benefit management services for PEEHIP.

The RSA legal staff continues to offer guidance and representation for PEEHIP in a wide range of matters, including transactions with service providers and plan compliance with governing laws and regulations. Such provisions range from federal court decisions to the Affordable Care Act and other federal laws that protect the privacy and security of PEEHIP members' health information.

The legal staff also provided support to RSA-1, the Section 457 deferred compensation plan administered by RSA staff. The legal staff assisted RSA-1 in administering the plan, complying with appropriate IRS and other applicable rules and regulations, and resolving legal questions involving plan participants. Notably, the legal staff has provided support and guidance to RSA-1 in its completion and implementation of a new IT system with added features to further benefit members.

The RSA legal staff stands ready to assist the RSA in meeting all new challenges that arise for public pensions and health insurance programs to maintain and enhance the RSA's service to its members.

LEGISLATIVE

The 2024 Regular Legislative Session ended on May 9, 2024. As it has always done, the Legislature ensured that the Teachers' Retirement System and the Employees' Retirement System were fully funded at the actuarially set rates.

There were several efforts by the Legislature to address the need for retiree benefit increases, but none were ultimately successful. The Alabama Retired State Employees' Association advocated for legislation

to create a new process for granting and funding retiree benefit increases. The House included retirees in the gaming bill that passed the House, but ultimately failed in the Senate. The Senate attempted but failed to amend the statutes governing the retiree trust funds for state and education retirees to allow direct appropriations from the budgets.

No bills were filed this session to continue improvements to Tier II benefits for all state and education employees despite a recommendation to return to Tier I for all state employees from the Governor's Study Group on Efficiency in State Government. Past legislation has chipped away at this issue by allowing conversion of sick leave to retirement credit for TRS Tier II members and providing 30-year retirement with an early retirement penalty for TRS and ERS Tier II members.

The Legislature passed legislation to provide hazardous duty service credit to emergency medical services personnel. This applies only to personnel that are employed by local governments, are eligible to participate in ERS, and are certified as emergency medical services technicians or paramedics by the State Board of Health.

The other RSA-related bills that passed this session included a local constitutional amendment to allow mayors in Jackson County to participate in the ERS (Act 2024-253), a bill removing compensation caps for retirees serving in certain elected positions (Act 2024-279), a bill amending the forfeiture of pension law (Act 2024-289), and a bill changing the process for restitution garnishments of pensions (Act 2024-408).



Staff, Advisors, & Medical Board

CHIEF EXECUTIVE OFFICER
David G. Bronner,
PH.D., J.D.

**DEPUTY DIRECTOR
ADMINISTRATION**
Jo Moore, J.D.

**DEPUTY DIRECTOR
INVESTMENTS**
Marc Green,
M.B.A., CFA

/ EXECUTIVES

**CHIEF ACCOUNTANT
& FISCAL OFFICER**
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CGMA

GENERAL COUNSEL
Jared H. Morris, J.D.

LEGISLATIVE COUNSEL
Neah M. Scott, J.D.

TEACHERS' RETIREMENT
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M.B.A.

**EMPLOYEES' & JUDICIAL
RETIREMENT**
William F. Kelley, Jr., J.D.

**PUBLIC EDUCATION EMPLOYEES'
HEALTH INSURANCE PLAN**
J. David Wales, M.B.A.,
CGBA

RSA-1
Rhonda H. Peters, B.S.

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Michael T. Baker, B.S.

EMPLOYER SERVICES
Margaret B. Sellars, B.S.

MEMBER SERVICES
Penny K. Wilson, B.S.

COMMUNICATIONS
Deborah J. Kirk, B.S.

FIELD SERVICES
Christopher C. Gallup, B.S.

/ ADVISORS

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PUBLIC ACCOUNTANTS**
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INVESTMENT CONSULTANT
Regions Bank N.A.,
Alan McKnight

INVESTMENT CUSTODIAN
State Street Bank
and Trust Company

CONSULTING ACTUARY
CavMac
Ed Koebel
Larry Langer

ATTORNEY GENERAL
Hon. Steve Marshall

CHIEF EXAMINER
Hon. Rachel Riddle

/ MEDICAL BOARD

CHAIR
Glenn Yates, M.D.
Gregory Borg, M.D.
Malcolm Brown, M.D.



In 2024, the RSA served a total of

399,681

Active & Retired Members from the TRS, ERS, & JRF

58%

ACTIVE

TRS	141,920
ERS	89,557
JRF	387

TOTAL 231,864

42%

RETIRED

TRS	108,782
ERS	58,571
JRF	464

TOTAL 167,817

Total

TRS	250,702
ERS	148,128
JRF	851

TOTAL 399,681

Membership Activity

NEW MEMBERS

TRS	ERS	JRF	TOTAL
13,595	11,305	6	24,906

WITHDRAWN MEMBERS

TRS	ERS	JRF	TOTAL
4,250	5,260	0	9,510

SERVICE RETIREMENTS

TRS	ERS	JRF	TOTAL
4,450	2,478	5	6,933

DISABILITY RETIREMENTS

TRS	ERS	JRF	TOTAL
156	125	1	282

NEW BENEFICIARIES

TRS	ERS	JRF	TOTAL
609	408	14	1,031

Members Remaining in Alabama After Retirement

91% TRS

95% ERS

Members & Benefits Paid by County

Northwest

COUNTY	ACTIVE	RETIRED	BENEFITS
LAUDERDALE	3,799	2,749	\$ 67.4
LIMESTONE	4,415	2,471	62.9
COLBERT	2,635	2,120	50.6
FRANKLIN	1,468	968	22.2
LAWRENCE	1,151	857	18.6
MORGAN	4,813	3,700	89.0
MARION	1,357	909	20.9
WINSTON	1,109	735	16.3
CULLMAN	3,653	2,665	64.2
LAMAR	652	448	9.2
FAYETTE	894	568	12.7
WALKER	2,765	2,130	47.1

Northeast

COUNTY	ACTIVE	RETIRED	BENEFITS
MADISON	14,219	8,839	\$ 236.1
JACKSON	2,376	1,685	38.1
MARSHALL	4,030	2,669	64.5
DEKALB	2,923	1,731	39.1
BLOUNT	1,864	1,294	29.2
ETOWAH	4,595	3,515	83.6
CHEROKEE	746	590	13.8
ST. CLAIR	3,633	2,233	56.1
CALHOUN	5,685	3,679	84.4
CLEBURNE	526	301	6.5

Central

COUNTY	ACTIVE	RETIRED	BENEFITS
JEFFERSON	27,780	18,733	\$ 504.8
SHELBY	10,427	5,822	165.6
TALLADEGA	3,348	2,669	57.9
BIBB	910	639	14.6
CHILTON	2,007	1,353	30.2
COOSA	489	407	9.3
PERRY	460	339	7.4
DALLAS	1,799	1,390	30.8
AUTAUGA	3,553	2,193	55.0
ELMORE	6,234	4,249	107.6
LOWNDES	502	436	9.0
MONTGOMERY	13,842	9,756	252.5

West

COUNTY	ACTIVE	RETIRED	BENEFITS
PICKENS	846	668	\$ 13.3
TUSCALOOSA	12,874	7,755	199.5
GREENE	402	393	7.1
HALE	1,028	688	14.8
SUMTER	734	488	10.8
MARENGO	993	713	16.4
CHOCTAW	359	352	6.9
WILCOX	636	449	8.6

East

COUNTY	ACTIVE	RETIRED	BENEFITS
CLAY	635	530	\$ 11.7
RANDOLPH	832	735	15.2
TALLAPOOSA	1,871	1,615	42.3
CHAMBERS	1,323	886	18.5
LEE	10,737	5,662	172.0
MACON	955	822	17.6
RUSSELL	1,460	870	17.0
BULLOCK	496	396	8.3

Southwest

COUNTY	ACTIVE	RETIRED	BENEFITS
WASHINGTON	627	645	\$ 13.2
CLARKE	1,186	906	19.1
MONROE	830	662	14.4
CONECUH	587	420	8.7
BUTLER	879	692	15.7
MOBILE	15,824	12,573	275.7
BALDWIN	10,188	7,137	180.1
ESCAMBIA	1,547	1,207	27.0

Southeast

COUNTY	ACTIVE	RETIRED	BENEFITS
CRENSHAW	811	600	\$ 14.3
PIKE	2,173	1,464	38.1
BARBOUR	938	796	16.6
COVINGTON	1,748	1,278	28.8
COFFEE	2,223	1,454	33.9
DALE	1,841	1,230	26.7
HENRY	975	684	15.2
GENEVA	1,196	732	15.6
HOUSTON	3,946	2,813	68.0

County by county figures are listed as millions of benefits paid.

\$4.1 ²⁰²⁴ **Total Benefits Paid**
BILLION

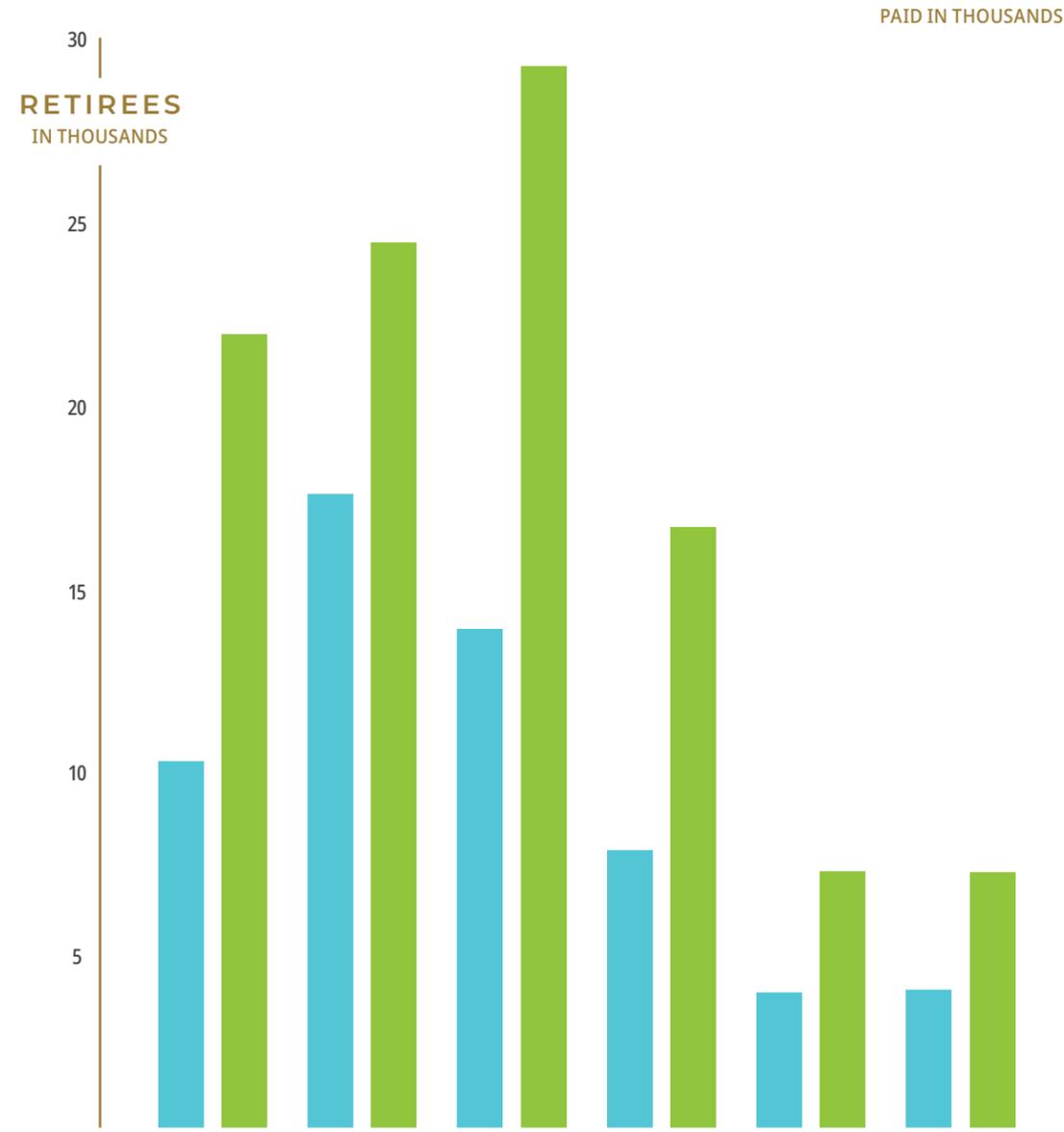
\$0.3
BILLION

2024 Benefits Paid Out-of-State

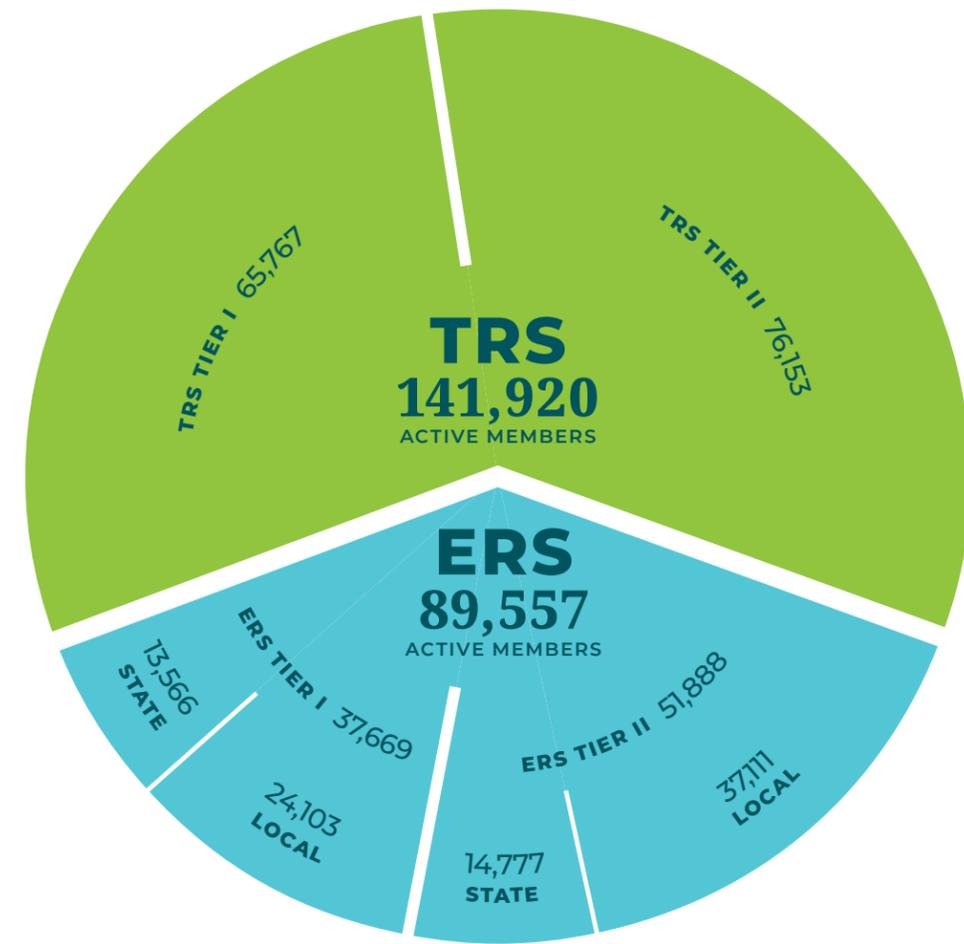
\$3.8
BILLION

2024 Benefits Paid in Alabama

Annual Benefits



By System	\$0-\$9,999	\$10,000-\$19,999	\$20,000-\$29,999	\$30,000-\$39,999	\$40,000-\$49,999	\$50,000+
ERS	10,465 17.9%	17,876 30.5%	14,159 24.2%	8,057 13.8%	4,004 6.8%	4,010 6.8%
TRS	22,332 20.5%	24,975 23.0%	29,871 27.4%	17,040 15.7%	7,330 6.7%	7,324 6.7%



Comparison of Tier I and Tier II Members

IN THE COMBINED SYSTEMS IN 2022, 2023, AND 2024



TIER I MEMBERS
116,552 \ 52%

TIER II MEMBERS
106,431 \ 48%



TIER I MEMBERS
110,635 \ 48%

TIER II MEMBERS
118,495 \ 52%



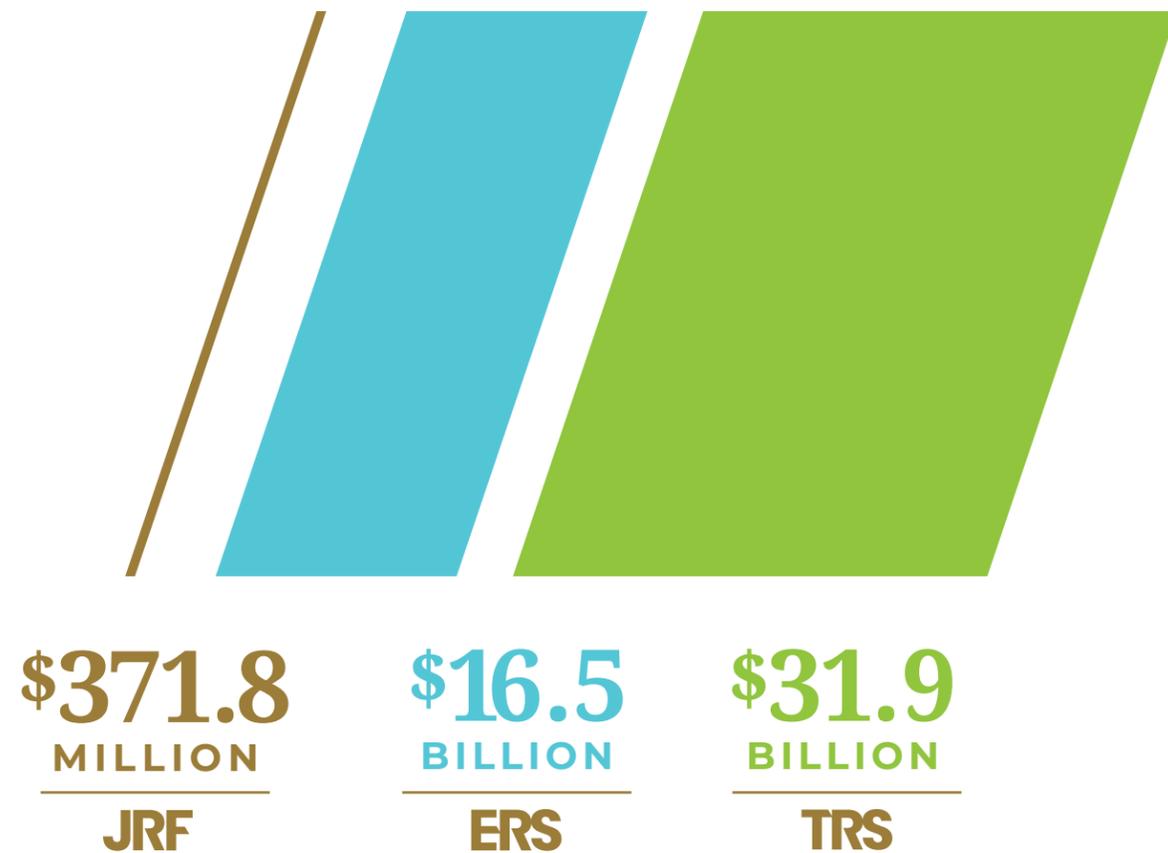
TIER I MEMBERS
103,436 \ 45%

TIER II MEMBERS
128,041 \ 55%



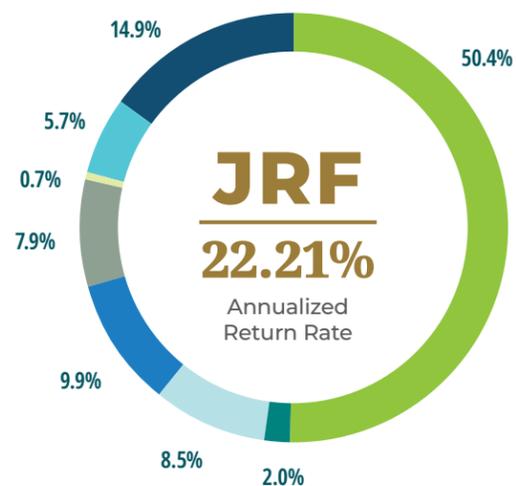
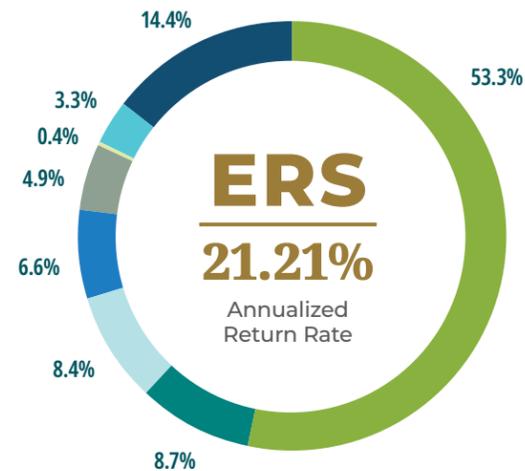
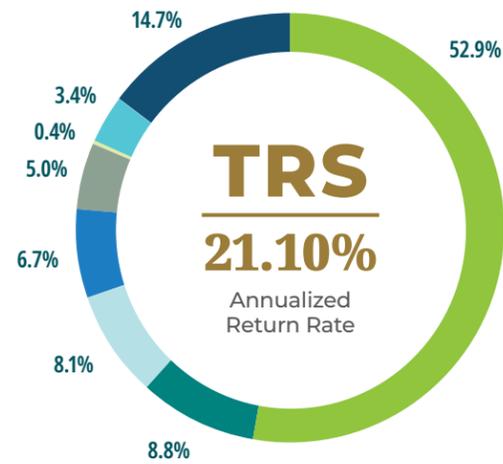
2024 FINANCIAL HIGHLIGHTS

Invested Assets by System



\$11.5 ²⁰²⁴ Total Revenue BILLION





Asset Allocation

Asset allocation is a strategic long-term decision in the pension investment management process. The RSA is dedicated to preserving the sound financial position it has established over the years through a diversified investment program. The objective of the RSA is to allocate investments in the most effective way that reflects policy standards while maximizing returns.

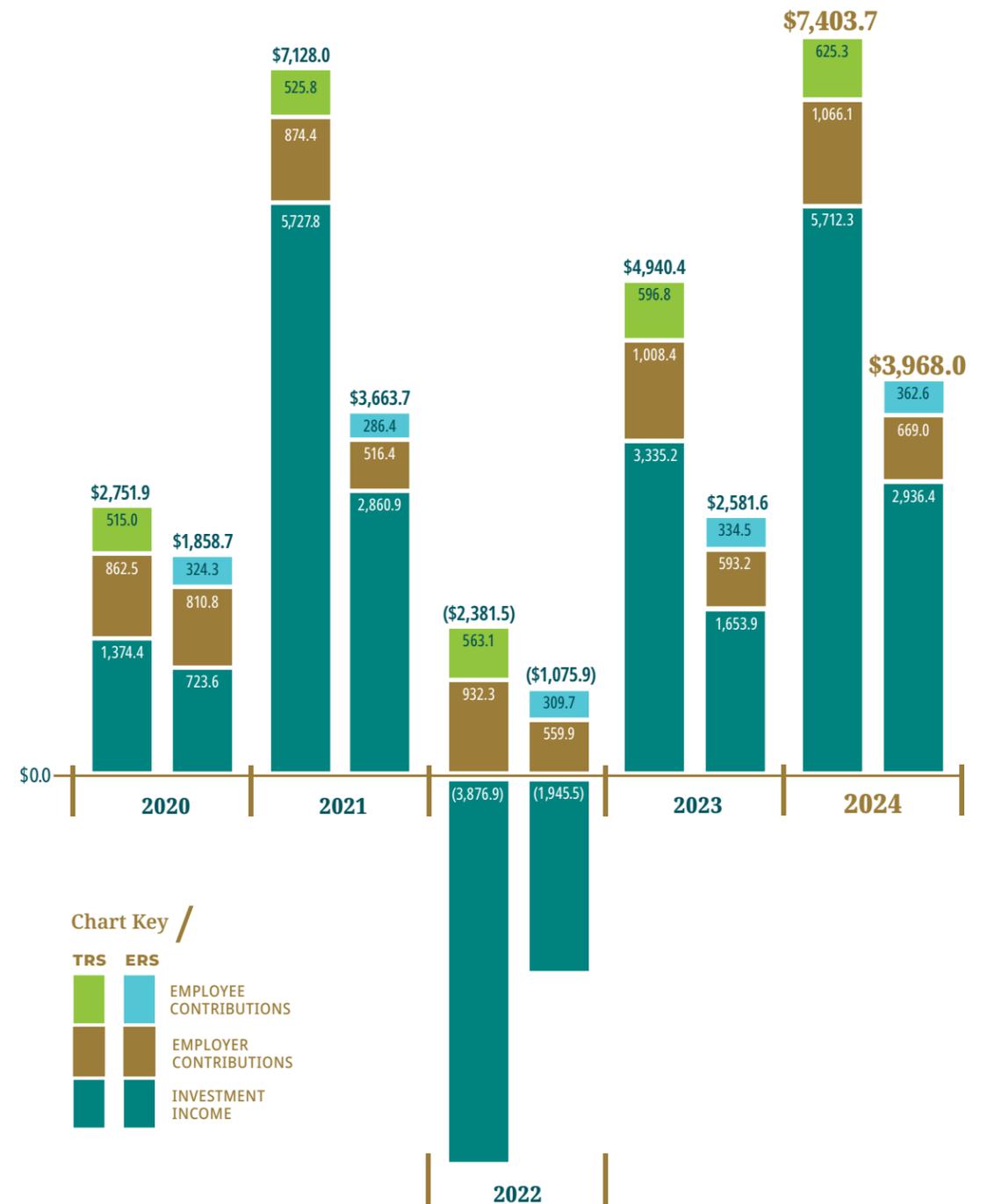
ALL PERCENTAGES AS OF SEPTEMBER 30, 2024.

Chart Key /

- COMMON & PREFERRED STOCK DOMESTIC
- REAL ESTATE
- MONEY MARKET SECURITIES
- FIXED BONDS DOMESTIC
- U.S. GOVERNMENT GUARANTEED BONDS
- U.S. AGENCY SECURITIES
- MORTGAGE-BACKED SECURITIES
- COMMON & PREFERRED STOCK INTERNATIONAL

5-Year Highlights

(DOLLARS IN MILLIONS)





24 FUNDS

\$56.1 BILLION in Assets Under Management

TRS / 2024 HIGHLIGHTS

PURPOSE / The Teachers' Retirement System of Alabama (TRS) provides retirement allowances and other specified benefits for qualified persons employed by state-supported educational institutions.

MANAGED IN-HOUSE, KEEPING COSTS LOW COMPARED TO OTHER STATE PENSION SYSTEMS

TOTAL INVESTED ASSETS		TOTAL INVESTED ASSETS	
Teachers' Retirement System	\$ 31,882,251	Public Education Employees' Health Insurance Fund	\$ 371,346
Employees' Retirement System	16,482,052	Alabama Retired Education Employees' Health Care Trust	2,367,877
Judicial Retirement Fund	371,797	Public Employees' Individual Retirement Account Fund	58,257
Alabama Cultural Resources Preservation Trust Fund	20,120	Alabama Marine Resources Endowment Trust Fund	3,440
Alabama Firefighters Annuity and Benefit Fund	1,049	Alabama Trust Fund	413,641
Division of Wildlife and Freshwater Fisheries	30,329	Alabama Treasury Fund	425,538
Alabama Nongame Wildlife Endowment Trust	19	Charlotte Thorn Trust Fund	16,053
Alabama Underground and Aboveground Storage Tank Trust Fund	19,654	County Municipal Trust Fund	160,615
Clerks' and Registers' Supernumerary Fund	11,555	Alabama State Employees' Retired Health Care Trust Fund	304,768
Alabama Senior Services Trust Fund	64,295	State Docks Pension Plans	24,434
Alabama State Employees' Health Insurance Fund	77,723	Marion Military Institute Foundation	12,576
Local Government Health Insurance Fund	141,731		
PEIRAF-Deferred Compensation Plan (RSA-1)	2,851,538		

Total Invested Assets Under Management \$ 56,112,658

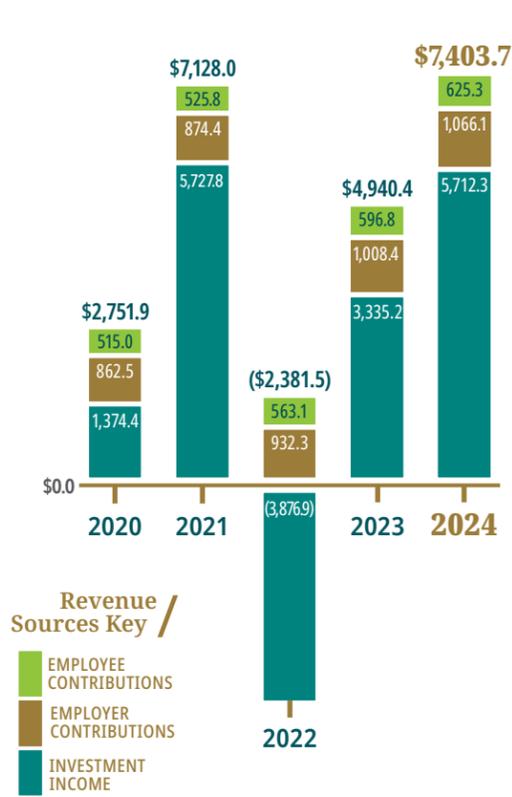
AS OF SEPTEMBER 30, 2024 (DOLLARS IN THOUSANDS)

250,702 Total Members
141,920 Active / 108,782 Retired

1,665 Increased Membership +

221 Units
13 Universities
139 K-12 Systems
13 Charter Schools
25 Postsecondary Institutions
31 State & Miscellaneous Agencies

TRS REVENUE SOURCES
(DOLLARS IN MILLIONS)



PORTFOLIO AT FAIR VALUE
(DOLLARS IN BILLIONS)



EMPLOYER RATE (% OF COVERED PAYROLL)



TOTAL ANNUAL PAYMENTS
(DOLLARS IN MILLIONS)



AVERAGE MONTHLY BENEFITS
(IN ACTUAL DOLLARS)



PRERETIREMENT DEATH BENEFITS
(DOLLARS IN MILLIONS)





MR. JOHN R. WHALEY

DR. SUSAN WILLIAMS BROWN

HON. YOUNG BOOZER

MR. JASON DAVIDSON

TEACHER POSITION,
CHAIR

POSTSECONDARY
POSITION, VICE CHAIR

STATE TREASURER
EX OFFICIO

SUPERINTENDENT
POSITION



MS. AMY KNIGHT FOWLER

MRS. ANITA GIBSON

DR. THOMAS E. JONES

MRS. SUSAN LOCKRIDGE

SUPPORT PERSONNEL
POSITION

RETIRED
POSITION

PRINCIPAL
POSITION

SUPPORT PERSONNEL
POSITION



DR. ERIC MACKEY

MS. AMANDA MILLER

MS. PEGGY MOBLEY

MR. BILL POOLE

STATE SUPERINTENDENT
OF EDUCATION, EX OFFICIO

TEACHER
POSITION

RETIRED
POSITION

STATE FINANCE DIRECTOR
EX OFFICIO



MS. KELLI D. SHOMAKER

MS. MARY BETH TATE

DR. WILLIAM A. WALSH

HIGHER EDUCATION
POSITION

TEACHER
POSITION

HIGHER EDUCATION
POSITION

TRRS STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(\$ IN THOUSANDS)

Assets	2024	2023
CASH	\$ 90,660	\$ 109,881
RECEIVABLES		
Employee Contributions	61,657	57,657
Employer Contributions	108,049	100,293
Transfers Receivable from the Employees' Retirement System	905	1,232
Investment Sales Receivable	392,560	-
Dividends and Interest	108,854	99,696
Miscellaneous Receivable	134	166
Total Receivables	672,159	259,044
INVESTMENTS, AT FAIR VALUE		
Domestic Equity	16,865,875	14,135,337
Domestic Fixed Income	4,934,860	4,286,135
International Equities	4,687,526	4,018,172
Real Estate	2,816,380	2,768,447
Short-Term	2,577,610	2,232,430
Total Investments	31,882,251	27,440,521
Invested Securities Lending Collateral	1,256,953	1,423,034
Property and Equipment Less Accumulated Depreciation	78,581	83,316
Total Assets	33,980,604	29,315,796
Deferred Outflows of Resources		
Pensions	13,198	16,837
OPEB	2,154	1,767
Total Assets and Deferred Outflows of Resources	33,995,956	29,334,400
Liabilities		
Accounts Payable and Other Liabilities	10,293	10,887
Transfers Payable to the ERS	200	321
Investment Purchases Payable	190,620	-
Net OPEB Liability	6,026	5,975
Net Pension Liability	40,122	38,435
Securities Lending Collateral	1,256,953	1,423,034
Total Liabilities	1,504,214	1,478,652
Deferred Inflows of Resources		
Pensions	1,491	2,410
OPEB	3,255	5,102
Total Liabilities and Deferred Inflows of Resources	1,508,960	1,486,164
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 32,486,996	\$ 27,848,236

TRRS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(\$ IN THOUSANDS)

Additions	2024	2023
CONTRIBUTIONS		
Employee	\$ 616,300	\$ 588,284
Employer	1,066,094	1,008,365
Transfers from the Employees' Retirement System	9,036	8,526
Transfers from the Judicial Retirement Fund	-	23
Marketing & Advertising Revenue	670	503
Total Contributions	1,692,100	1,605,701
INVESTMENT INCOME		
FROM INVESTING ACTIVITIES		
Net Increase in Fair Value of Investments	4,941,999	2,625,411
Interest and Dividends	774,463	714,409
Total Investment Income from Investing Activities	5,716,462	3,339,820
Less Investment Expenses, Net	11,580	11,696
Net Investment Income from Investing Activities	5,704,882	3,328,124
FROM SECURITIES LENDING ACTIVITIES		
Securities Lending Income	67,857	63,743
Less Securities Lending Expenses		
Borrower Rebates	57,261	52,783
Management Fees	3,143	3,840
Total Securities Lending Expenses	60,404	56,623
Net Income from Securities Lending Activities	7,453	7,120
Total Net Investment Income	5,712,335	3,335,244
Total Additions	7,404,436	4,940,945
Deductions		
Retirement Allowance Payments	2,646,769	2,566,776
Return of Contributions and Death Benefits	74,618	65,142
Transfers to the Employees' Retirement System	6,265	6,825
Administrative Expenses	29,117	25,694
Depreciation	8,905	9,143
Total Deductions	2,765,674	2,673,580
Change in Net Position	4,638,761	2,267,365
NET POSITION RESTRICTED FOR PENSION BENEFITS		
Beginning of Year	27,848,235	25,580,871
End of Year	\$ 32,486,996	\$ 27,848,236

ERS / 2024 HIGHLIGHTS

PURPOSE / The Employees' Retirement System of Alabama (ERS) provides retirement allowances and other specified benefits for qualified state employees, state police, and, on an elective basis, employees of cities, counties, towns, and quasi-public organizations.

148,128 Total Members
89,557 Active / 58,571 Retired

3,764 Increased Membership +

1,036 Units
66 Counties
146 State Agencies
311 Cities
513 Other Public Entities

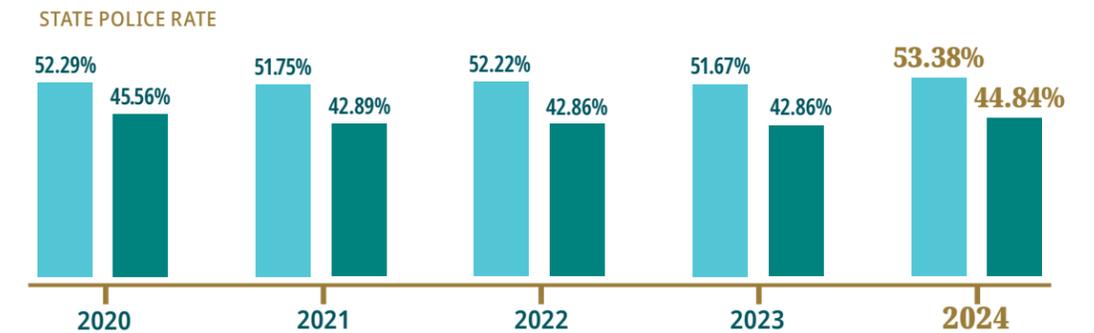
ERS REVENUE SOURCES
(DOLLARS IN MILLIONS)



PORTFOLIO AT FAIR VALUE
(DOLLARS IN BILLIONS)



EMPLOYER RATE (% OF COVERED PAYROLL)



Employer Rate Key / TIER 1 TIER 2

TOTAL ANNUAL PAYMENTS

(DOLLARS IN MILLIONS)



AVERAGE MONTHLY BENEFITS

(IN ACTUAL DOLLARS)



PRERETIREMENT DEATH BENEFITS

(DOLLARS IN MILLIONS)



HON. KAY IVEY MR. JAMES FIBBE MR. DAVID J. HARER MR. EDWARD N. AUSTIN

GOVERNOR EX OFFICIO, CHAIR RETIRED LOCAL EMPLOYEE POSITION, VICE CHAIR ACTIVE CITY EMPLOYEE POSITION, VICE CHAIR PRO TEMPORE GOVERNOR APPOINTEE



HON. YOUNG BOOZER MS. CAROL BULLARD CAPT. DAVID COLSTON MR. MICHAEL GILLESPIE

STATE TREASURER EX OFFICIO ACTIVE STATE EMPLOYEE POSITION GOVERNOR APPOINTEE ACTIVE OR RETIRED LOCAL EMPLOYEE POSITION



MR. NORRIS GREEN MR. RICKY HARCROW MS. LAURY MORGAN MR. BILL POOLE

RETIRED STATE EMPLOYEE POSITION ACTIVE COUNTY EMPLOYEE POSITION STATE PERSONNEL DIRECTOR EX OFFICIO STATE FINANCE DIRECTOR EX OFFICIO



MS. TAMMY ROLLING MS. LISA STATUM MR. DERRICK T. TURNER, SR.

GOVERNOR APPOINTEE ACTIVE OTHER LOCAL EMPLOYEE POSITION ACTIVE STATE EMPLOYEE POSITION

ERS STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(\$ IN THOUSANDS)

Assets	2024	2023
CASH	\$ 45,100	\$ 45,322
RECEIVABLES		
Employee Contributions	18,677	18,021
Employer Contributions	38,784	34,767
Transfers Receivable from the Teachers' Retirement System	200	321
Investment Sales Receivable	62,418	-
Dividends and Interest	54,790	51,152
Miscellaneous Receivable	177	240
Total Receivables	175,046	104,501
INVESTMENTS, AT FAIR VALUE		
Domestic Equity	8,789,649	7,229,295
Domestic Fixed Income	2,503,627	2,166,694
International Equities	2,365,664	2,024,607
Real Estate	1,439,903	1,398,673
Short-Term	1,383,209	1,155,797
Total Investments	16,482,052	13,975,066
Invested Securities Lending Collateral	669,290	662,065
Property and Equipment Less Accumulated Depreciation	35,560	37,843
Total Assets	17,407,048	14,824,797
Deferred Outflows of Resources		
Pensions	3,659	5,372
OPEB	627	632
Total Assets and Deferred Outflows of Resources	17,411,334	14,830,801
Liabilities		
Accounts Payable and Other Liabilities	4,756	5,201
Transfers Payable to the TRS	905	1,232
Deferred Revenue	2,500	-
Investment Purchases Payable	94,765	-
Net OPEB Liability	3,143	3,485
Net Pension Liability	20,752	21,349
Securities Lending Collateral	669,290	662,065
Total Liabilities	796,111	693,332
Deferred Inflows of Resources		
Pensions	749	615
OPEB	2,341	3,513
Total Liabilities and Deferred Inflows of Resources	799,201	697,460
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 16,612,133	\$ 14,133,341

ERS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(\$ IN THOUSANDS)

Additions	2024	2023
CONTRIBUTIONS		
Employee	\$ 356,314	\$ 327,631
Employer	669,034	593,211
Transfers from the Teachers' Retirement System	6,265	6,825
Marketing & Advertising Revenue	330	248
Total Contributions	1,031,943	927,915
INVESTMENT INCOME		
FROM INVESTING ACTIVITIES		
Net Increase in Fair Value of Investments	2,534,930	1,283,045
Interest and Dividends	401,483	370,837
Total Investment Income from Investing Activities	2,936,413	1,653,882
Less Investment Expenses, Net	3,617	3,611
Net Investment Income from Investing Activities	2,932,796	1,650,271
FROM SECURITIES LENDING ACTIVITIES		
Securities Lending Income	34,592	34,364
Less Securities Lending Expenses		
Borrower Rebates	29,509	28,834
Management Fees	1,508	1,907
Total Securities Lending Expenses	31,017	30,741
Net Income from Securities Lending Activities	3,575	3,623
Total Net Investment Income	2,936,371	1,653,894
Total Additions	3,968,314	2,581,809
Deductions		
Retirement Allowance Payments	1,401,619	1,366,602
Return of Contributions and Death Benefits	59,285	55,427
Unit Withdrawals	892	-
Transfers to the Teachers' Retirement System	9,036	8,526
Transfers to the Judicial Retirement Fund	276	249
Administrative Expenses	14,891	13,285
Depreciation	3,523	3,538
Total Deductions	1,489,522	1,447,627
Change in Net Position	2,478,792	1,134,182
NET POSITION RESTRICTED FOR PENSION BENEFITS		
Beginning of Year	14,133,341	12,999,159
End of Year	\$ 16,612,133	\$ 14,133,341

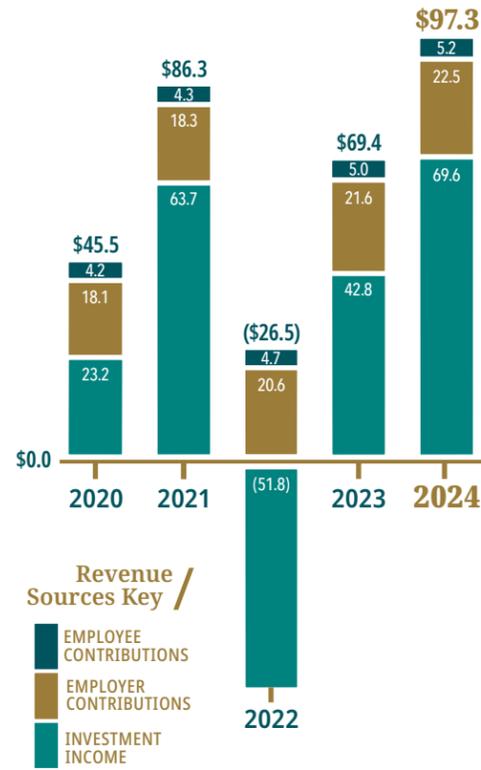
JRF / 2024 HIGHLIGHTS

PURPOSE / The Judicial Retirement Fund of Alabama (JRF) provides retirement allowances and other specified benefits for supreme court justices, court of appeals judges, circuit court judges, district court judges, circuit clerks, district attorneys, and probate judges. Responsibility for the management and administration of the JRF is vested in the ERS Board of Control.

851 Total Members
387 Active / 464 Retired

4 Decreased Membership

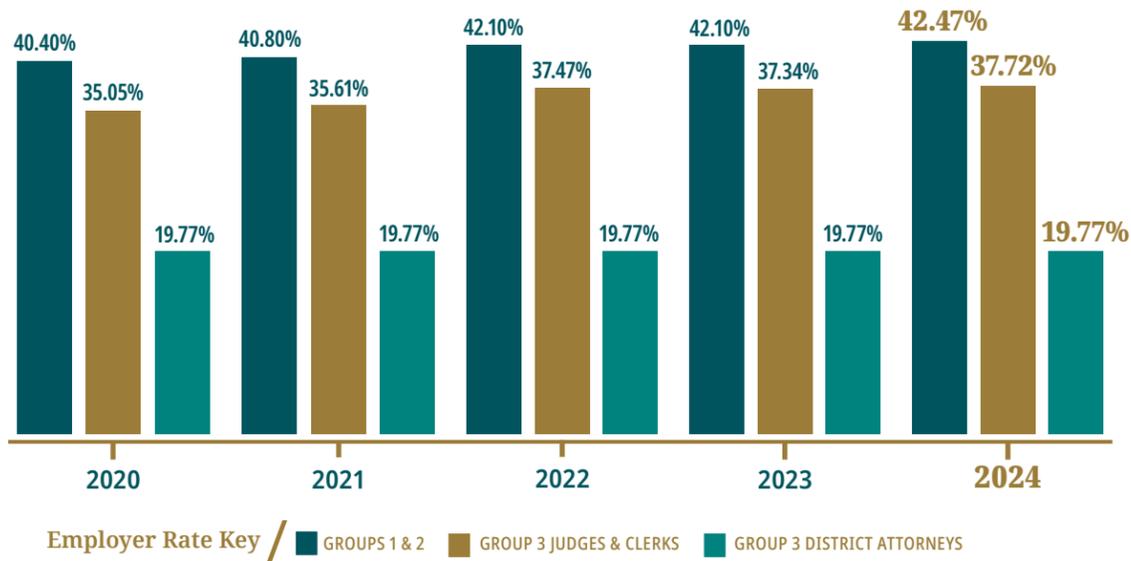
JRF REVENUE SOURCES
(DOLLARS IN MILLIONS)



PORTFOLIO AT FAIR VALUE
(DOLLARS IN MILLIONS)



EMPLOYER RATE (% OF COVERED PAYROLL)



TOTAL ANNUAL PAYMENTS
(DOLLARS IN MILLIONS)



AVERAGE MONTHLY BENEFITS
(IN ACTUAL DOLLARS)



JRF STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(\$ IN THOUSANDS)

Assets	2024	2023
CASH	\$ 4,053	\$ 4,056
RECEIVABLES		
Employee Contributions	201	202
Employer Contributions	823	790
Investment Sales Receivable	4,492	–
Dividends and Interest	1,370	1,328
Miscellaneous Receivable	–	230
Total Receivables	6,886	2,550
INVESTMENTS, AT FAIR VALUE		
Domestic Equity	187,508	155,019
Domestic Fixed Income	90,076	81,356
International Equities	55,198	49,075
Real Estate	7,573	6,744
Short-Term	31,442	25,286
Total Investments	371,797	317,480
Invested Securities Lending Collateral	4,224	10,737
Total Assets	386,960	334,823
Deferred Outflows of Resources		
Pensions	158	246
OPEB	7	7
Total Assets and Deferred Outflows of Resources	387,125	335,076
Liabilities		
Accounts Payable and Other Liabilities	152	122
Investment Purchases Payable	4,905	–
Net OPEB Liability	30	32
Net Pension Liability	622	628
Securities Lending Collateral	4,224	10,737
Total Liabilities	9,933	11,519
Deferred Inflows of Resources		
Pensions	8	3
OPEB	17	28
Total Liabilities and Deferred Inflows of Resources	9,958	11,550
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 377,167	\$ 323,526

JRF STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(\$ IN THOUSANDS)

Additions	2024	2023
CONTRIBUTIONS		
Employee	\$ 4,973	\$ 4,770
Employer	22,504	21,609
Transfers from the Employees' Retirement System	276	249
Total Contributions	27,753	26,628
INVESTMENT INCOME		
FROM INVESTING ACTIVITIES		
Net Increase in Fair Value of Investments	60,573	34,443
Interest and Dividends	8,921	8,312
Total Investment Income from Investing Activities	69,494	42,755
FROM SECURITIES LENDING ACTIVITIES		
Securities Lending Income	371	380
Less Securities Lending Expenses		
Borrower Rebates	276	281
Management Fees	28	34
Total Securities Lending Expenses	304	315
Net Income from Securities Lending Activities	67	65
Total Net Investment Income	69,561	42,820
Total Additions	97,314	69,448
Deductions		
Retirement Allowance Payments	42,934	42,580
Return of Contributions and Death Benefits	179	341
Transfers to the Teachers' Retirement System	–	23
Administrative Expenses	559	527
Total Deductions	43,672	43,471
Change in Net Position	53,642	25,977
NET POSITION RESTRICTED FOR PENSION BENEFITS		
Beginning of Year	323,525	297,549
End of Year	\$ 377,167	\$ 323,526

PEEHIP 2024 HIGHLIGHTS

PURPOSE / The Public Education Employees' Health Insurance Plan (PEEHIP) was established in 1983 to provide quality healthcare insurance benefits for the health and well-being of our members.

373,629 Members / Dependents Served

1,023 Increase over 2023 +

Total Claims Expense Active and Retired

(\$ IN THOUSANDS)



PEEHIP STATEMENT OF NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(\$ IN THOUSANDS)

Assets	2024	2023
CURRENT		
Cash	\$ 11,959	\$ 7,236
Premiums Receivable	4,517	4,441
Rebates Receivable	39,129	38,115
Miscellaneous Receivable	11,950	9,894
Interest Receivable	480	755
Deposit with Claims-Paying Agent	18,865	1,674
Total Current Assets	86,900	62,115
NONCURRENT		
Investments, at Fair Value	371,346	385,912
Total Assets	458,246	448,027
Deferred Outflows of Resources		
Pensions	2,791	3,714
OPEB	315	180
Total Deferred Outflows of Resources	3,106	3,894
Total Assets and Deferred Outflows of Resources	461,352	451,921
Liabilities		
CURRENT		
Accounts Payable	1,417	1,205
Due to Other Governments	492	452
Compensated Absences, Current	19	17
Reported Claims Payable	51,673	61,940
Claims Incurred But Not Reported	104,831	92,646
Deferred Revenue	12,622	7,980
Total Current Liabilities	171,054	164,240
NONCURRENT		
Compensated Absences	479	450
Net Pension Liability	5,350	4,936
Net OPEB Liability	975	934
Total Noncurrent Liabilities	6,804	6,320
Total Liabilities	177,858	170,560
DEFERRED INFLOWS OF RESOURCES		
Pensions	2,355	3,190
OPEB	789	1,182
Total Deferred Inflows of Resources	3,144	4,372
Total Liabilities and Deferred Inflows of Resources	181,002	174,932
Net Position	280,350	276,989
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 461,352	\$ 451,921

PEEHIP STATEMENT OF REVENUES, EXPENSES, & CHANGES IN FUND NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(\$ IN THOUSANDS)

Operating Revenues	2024	2023
Premiums	\$ 1,183,601	\$ 1,143,410
Transfers from Internal Service Fund	3,500	40,000
Transfers from Education Trust Fund—Supplemental Appropriation	—	59,179
Total Operating Revenues	1,187,101	1,242,589
Operating Expenses		
Claims	1,201,416	1,163,103
Fees and Assessments	495	456
Administrative	4,305	3,494
Total Operating Expenses	1,206,216	1,167,053
Operating (Loss)/Income	(19,115)	75,536
Investment Revenues		
Interest Income	21,032	15,144
Net Increase in Fair Value of Investments	1,444	880
Total Investment Revenues	22,476	16,024
Change in Net Position	3,361	91,560
Net Position		
Beginning Net Position	276,989	185,429
Ending Net Position	\$ 280,350	\$ 276,989

Health Care Trust

THE ALABAMA RETIRED EDUCATION EMPLOYEES' HEALTH CARE TRUST is an irrevocable trust created by the Legislature in 2007 to begin funding post-employment healthcare benefits for retired education employees and their dependents in advance to address and ultimately offset the state's accrued liabilities for such benefits.

HEALTH CARE TRUST STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(\$ IN THOUSANDS)

Assets	2024	2023
RECEIVABLES		
Rebates Receivable	\$ 4,225	\$ 4,544
Miscellaneous Receivable	1,343	1,150
Interest and Dividends	5,715	5,588
Total Receivables	11,283	11,282
Deposit with Claims-Paying Agent	2,912	1,205
INVESTMENTS, AT FAIR VALUE		
Commercial Paper	35,923	45,300
Money Market Funds	149,438	100,158
U.S. Government Guaranteed Bonds	152,869	139,687
U.S. Agency Securities	14,754	15,923
Mortgage-Backed Securities	113,594	98,166
Corporate Bonds	242,987	198,885
International Securities	298,823	244,737
Common Stocks	1,359,489	1,042,720
Preferred Stocks	—	3,529
Total Investments	2,367,877	1,889,105
Invested Securities Lending Collateral	86,717	84,908
Total Assets	2,468,789	1,986,500
Liabilities		
Securities Lending Collateral	86,717	84,908
Reported Claims Payable	5,710	7,243
Claims Incurred But Not Reported	18,829	16,506
Due to Other Governments	54	53
Total Liabilities	111,310	108,710
NET POSITION RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS	\$ 2,357,479	\$ 1,877,790

HEALTH CARE TRUST STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(\$ IN THOUSANDS)

Additions	2024	2023
CONTRIBUTIONS		
Employee Contributions	\$ 118,134	\$ 125,753
Employer Contributions	143,286	155,663
Employer Group Waiver Plan (EGWP)	270	293
Total Contributions	261,690	281,709
INVESTMENT INCOME		
<i>FROM INVESTING ACTIVITIES</i>		
Net Increase in Fair Value of Investments	428,467	199,198
Interest and Dividends	49,959	44,070
Total Investment Income from Investing Activities	478,426	243,268
<i>FROM SECURITIES LENDING ACTIVITIES</i>		
Securities Lending Income	4,601	3,789
Less Securities Lending Expenses		
Borrower Rebates	3,930	3,092
Management Fees	199	240
Total Securities Lending Expenses	4,129	3,332
Net Income from Securities Lending Activities	472	457
Total Net Investment Income	478,898	243,725
Total Additions	740,588	525,434
Deductions		
Benefits	259,978	280,392
Fees and Assessments	52	50
Administrative Expenses	869	923
Total Deductions	260,899	281,365
Change in Net Position	479,689	244,069
NET POSITION RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS		
Beginning of Year	1,877,790	1,633,721
End of Year	\$ 2,357,479	\$ 1,877,790

RSA-1 / 2024 HIGHLIGHTS

PURPOSE / The RSA-1 Deferred Compensation Plan was established in 1986 to allow members of the RSA and certain other eligible public employees to defer receipt of a percentage of their salary for retirement, thereby deferring payment of taxes on that income.

\$2.9 Total Net Asset Value
BILLION

\$1.6 / **EQUITY**
BILLION INVESTMENT OPTION FUND

\$1.0 / **FIXED INCOME**
BILLION INVESTMENT OPTION FUND

\$225.3 / **STIF**
MILLION INVESTMENT OPTION FUND

RSA-1 Rates of Returns by Fund Option

12-MONTH PERIOD ENDING	TOTAL RETURN (IN %)	TOTAL NET ASSET VALUE (\$ IN MILLIONS)	PARTICIPATING MEMBERS
SEPTEMBER 30, 2020			
FIXED INCOME INVESTMENT OPTION	7.22	1,331.0	33,973
EQUITY INVESTMENT OPTION	15.07	957.6	24,778
STIF INVESTMENT OPTION	1.05	97.6	4,391
SEPTEMBER 30, 2021			
FIXED INCOME INVESTMENT OPTION	0.12	1,274.8	33,976
EQUITY INVESTMENT OPTION	30.12	1,238.6	26,064
STIF INVESTMENT OPTION	0.07	107.4	4,980
SEPTEMBER 30, 2022			
FIXED INCOME INVESTMENT OPTION	-12.75	1,014.0	33,440
EQUITY INVESTMENT OPTION	-15.43	1,002.8	27,042
STIF INVESTMENT OPTION	0.81	1,809.1	6,439
SEPTEMBER 30, 2023			
FIXED INCOME INVESTMENT OPTION	2.26	965.4	33,052
EQUITY INVESTMENT OPTION	21.61	1,210.9	27,794
STIF INVESTMENT OPTION	4.91	213.9	7,522
SEPTEMBER 30, 2024			
FIXED INCOME INVESTMENT OPTION	11.33	1,008.5	33,061
EQUITY INVESTMENT OPTION	36.29	1,625.8	29,306
STIF INVESTMENT OPTION	5.63	225.3	8,501

RSA-1 / FUND OPTIONS

RSA-1 OFFERS THREE FUND OPTIONS FOR ITS MEMBERS TO INVEST.

RSA-1 offers a fixed income fund, equity fund, and short-term investment fund. Each member chooses his or her own allocations.

RSA-1 Asset Allocation by Fund Option

ALL NUMBERS AS OF SEPTEMBER 30, 2024, AND SEPTEMBER 30, 2023

	FIXED INCOME FUND		EQUITY FUND		SHORT-TERM INVESTMENT FUND	
	2024	2023	2024	2023	2024	2023
MONEY MARKET	2.3%	1.8%	0.02%	0.1%	100.0%	100.0%
COMMON STOCK	—	—	99.98%	99.9%	—	—
CORPORATE BONDS	45.7%	42.3%	—	—	—	—
U.S. GOVERNMENT GUARANTEED	28.1%	31.4%	—	—	—	—
COLLATERALIZED MORTGAGE OBLIGATIONS	16.8%	15.6%	—	—	—	—
GNMA	3.6%	3.8%	—	—	—	—
U.S. AGENCY SECURITIES	3.2%	3.5%	—	—	—	—
PREFERRED STOCK	—	1.2%	—	—	—	—
PRIVATE PLACEMENTS	0.3%	0.4%	—	—	—	—

RSA-1 STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(IN ACTUAL DOLLARS)

Assets	2024	2023
CASH	\$ -	\$ 500,334
RECEIVABLES		
Interest and Dividends Receivable	8,170,108	9,034,444
INVESTMENTS, AT FAIR VALUE		
Money Market Funds	247,615,263	232,274,138
U.S. Treasuries	281,786,794	300,865,674
U.S. Agency Securities	31,911,840	32,992,438
GNMAs	35,852,047	36,580,465
CMOs	168,641,022	149,675,943
Corporate Bonds	457,897,037	405,624,877
Private Placements	3,064,986	3,474,119
Common and Preferred Stocks	1,624,768,556	1,219,684,944
Total Investments	2,851,537,545	2,381,172,598
Invested Securities Lending Collateral	51,437,039	50,981,666
Total Assets	2,911,144,692	2,441,689,042
Liabilities		
Securities Lending Collateral	51,437,039	50,981,666
Total Liabilities	51,437,039	50,981,666
NET POSITION RESTRICTED FOR DEFERRED COMPENSATION BENEFITS	\$2,859,707,653	\$2,390,707,376

RSA-1 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(IN ACTUAL DOLLARS)

Additions	2024	2023
MEMBER CONTRIBUTIONS	\$ 74,744,086	\$76,754,777
INVESTMENT INCOME		
<i>FROM INVESTING ACTIVITIES</i>		
Interest and Dividends	68,511,227	64,152,347
Net Increase in Fair Value of Investments	485,154,264	183,152,743
Total Investment Income from Investing Activities	553,665,491	247,305,090
<i>FROM SECURITIES LENDING ACTIVITIES</i>		
Securities Lending Income	3,572,635	2,012,610
Less Securities Lending Expenses		
Borrower Rebates	2,911,251	1,463,980
Management Fees	196,425	185,888
Total Securities Lending Expenses	3,107,676	1,649,868
Net Income from Securities Lending Activities	464,959	362,742
Total Net Investment Income	554,130,450	247,667,832
Total Additions	628,874,536	324,422,609
Deductions		
Normal Distributions	159,874,259	139,647,174
Total Deductions	159,874,259	139,647,174
Change in Net Position	469,000,277	184,775,435
NET POSITION RESTRICTED FOR DEFERRED COMPENSATION BENEFITS		
Beginning of Year	2,390,707,376	2,205,931,941
End of Year	\$2,859,707,653	\$2,390,707,376

PEIRAF / FUND OPTIONS

The Public Employees' Individual Retirement Account Fund (PEIRAF)

was established to allow public employees to receive the fullest benefits offered by the Economic Recovery Tax Act (ERTA) of 1981 as it relates to individual retirement accounts. Upon its creation in 1982, PEIRAF operated as a fixed-income portfolio. Funds were invested in fixed-income investments such as corporate bonds, U.S. agency obligations, government national mortgage association securities, and commercial paper.

The Tax Reform Act of 1986 prohibited contributions to deductible voluntary employee contribution plans, such as PEIRAF, for years after 1986. Accordingly, the PEIRAF Board of Control discontinued receiving contributions to this plan after December 31, 1986. However, the PEIRAF continues to reinvest the interest earnings of existing PEIRAF member accounts.

As of 2022, PEIRAF offers three fund options for its members to invest. PEIRAF offers a fixed income fund, equity fund, and short-term investment fund. Each member chooses his or her own allocations.

PEIRAF Asset Allocation by Fund Option

ALL NUMBERS AS OF SEPTEMBER 30, 2024, AND SEPTEMBER 30, 2023

	FIXED INCOME FUND		EQUITY FUND		SHORT-TERM INVESTMENT FUND	
	2024	2023	2024	2023	2024	2023
MONEY MARKET	1.7%	2.1%	0.1%	0.1%	100.0%	100.0%
COMMON STOCK	—	—	99.9%	99.9%		
CORPORATE BONDS	46.7%	42.7%				
U.S. GOVERNMENT GUARANTEED	26.4%	31.1%				
COLLATERALIZED MORTGAGE OBLIGATIONS	17.0%	15.7%				
GNMA	4.7%	4.8%				
U.S. AGENCY SECURITIES	3.5%	3.6%				

PEIRAF STATEMENT OF FIDUCIARY NET POSITION, UNAUDITED

As of September 30, 2024, and 2023

(IN ACTUAL DOLLARS)

Assets	2024	2023
INTEREST RECEIVABLE	\$ 365,202	\$ 409,422
INVESTMENTS, AT FAIR VALUE		
Money Market and Mutual Funds	3,879,393	3,820,080
U.S. Government Guaranteed Bonds	12,579,598	14,646,726
U.S. Agency Securities	1,649,954	1,671,728
GNMAs	2,234,020	2,279,591
CMOs	8,126,484	7,408,120
Corporate Bonds	22,260,802	20,132,418
Common Stocks	7,527,213	5,021,062
Total Investments	58,257,464	54,979,725
Invested Securities Lending Collateral	7,193,309	7,089,892
Total Assets	65,815,975	62,479,039
Liabilities		
Securities Lending Collateral	7,193,309	7,089,892
Total Liabilities	7,193,309	7,089,892
NET POSITION RESTRICTED FOR PEIRAF BENEFITS	\$ 58,622,666	\$ 55,389,147

PEIRAF STATEMENT OF CHANGES IN FIDUCIARY NET POSITION, UNAUDITED

For the Fiscal Years Ended September 30, 2024, and 2023

(IN ACTUAL DOLLARS)

Additions	2024	2023
INVESTMENT INCOME		
<i>FROM INVESTING ACTIVITIES</i>		
Interest and Dividends	\$ 1,991,134	\$ 1,996,237
Net Increase in Fair Value of Investments	5,343,128	84,446
Total Investment Increase from Investing Activities	7,334,262	2,080,683
<i>FROM SECURITIES LENDING ACTIVITIES</i>		
Securities Lending Income	260,804	165,678
Less Securities Lending Expenses		
Borrower Rebates	222,180	117,428
Management Fees	11,491	16,064
Total Securities Lending Expenses	233,671	133,492
Net Income from Securities Lending Activities	27,133	32,186
Total Net Investment Income	7,361,395	2,112,869
Total Additions	7,361,395	2,112,869
Deductions		
Distributions	4,127,876	4,124,118
Total Deductions	4,127,876	4,124,118
Change in Net Position	3,233,519	(2,011,249)
NET POSITION RESTRICTED FOR PEIRAF BENEFITS		
Beginning of Year	55,389,147	57,400,396
End of Year	\$ 58,622,666	\$ 55,389,147

RETIREMENT SYSTEMS OF ALABAMA

INVESTMENTS

2024 HIGHLIGHTS

PURPOSE / Building on a *LEGACY* of prudent investment management providing outstanding results with some of the lowest investment expenses in the industry.

2024 AWARD-WINNING INVESTMENTS

The RSA is pleased to be a leading player in Alabama's hospitality industry and continues to work very hard to maintain multiple coveted industry recognitions. Over the years we have acquired, developed, and redeveloped hotel properties making them more efficient, more profitable, and more valuable.

Grand Hotel Golf Resort & Spa, Autograph Collection

Set on 550 acres of stunning natural beauty at the mouth of Mobile Bay, the Grand is a modern sanctuary of golf, tennis, beach, pools, and spa—an enchanting destination filled with gracious Southern charm. Here, you'll find 405 luxurious rooms and suites, a 20,000 square-foot spa, nine dining and bar options, two 18-hole championship golf courses, ten tennis courts, two championship croquet lawns, 11 pickleball courts, and more than 41,000 square feet of meeting space. This year, the Grand continues its tradition of being recognized with national hospitality industry awards.

2024 HOTEL OF THE YEAR

/Marriott Hotels

2024 #3 BEST WATERFRONT HOTEL

/USA Today

2024 #4 BEST HISTORIC HOTEL

/USA Today

2024 READERS' CHOICE

/ConventionSouth





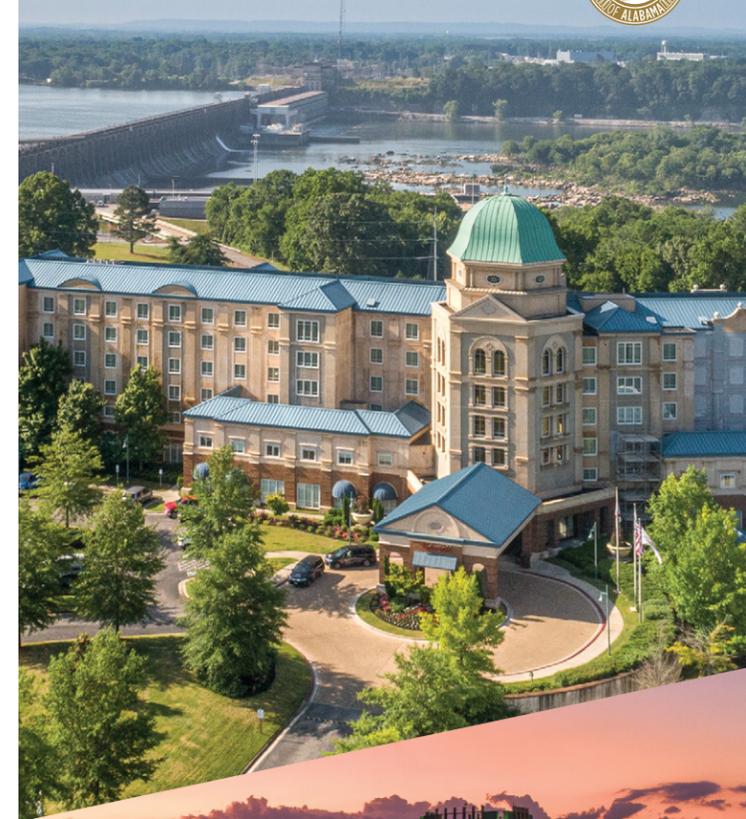
Renaissance Birmingham Ross Bridge Golf Resort & Spa

The Renaissance Birmingham Ross Bridge Golf Resort & Spa recently completed a major expansion of the resort's pool amenity and updated the existing facilities. A new adult pool, deck area, bar, and restrooms have been added. The resort created three new fire pits, seven cabanas, and a band shell for live music. Another great addition is a scenic trail that allows access to the cabanas and upper deck. This renovation increases the pool area's occupancy by 110 guests.

2023 RENOVATION EXCELLENCE
/Marriott International National Association (MINA)
pictured on right

2023 TOP 100 USA SPAS
/Spas of America / awarded to
The Spa at Ross Bridge

2024 20 BEST GOLF RESORTS IN THE SOUTH
/Southern Living



Marriott Shoals Hotel & Spa

The Marriott Shoals Hotel & Spa has renovated and expanded its pool facilities, increasing the occupancy by 106 guests. The resort added a new adult deck area, along with a catering and food service facility. The Shoals also added two new fire pits and five cabanas. With the additions, the landscaping and furnishings are being updated and enhanced.

2023 TOP 100 USA SPAS
/Spas of America / awarded to
The Spa at the Shoals



Renaissance Montgomery Hotel & Spa at the Convention Center

2023 TOP 100 USA SPAS
/Spas of America / awarded to
The Spa at Montgomery



Auburn Marriott Opelika Resort & Spa at Grand National

2023 TOP 100 USA SPAS
/Spas of America / awarded to
The Spa at Grand National

PCH Hotels & Resorts

The mission of the RSA's PCH Hotels & Resorts is to create success by operating superior hotels that enhance the guest experience, provide a great workplace for associates, and generate the best possible return for ownership.

2023 BEST COMPANIES TO WORK FOR IN ALABAMA

/Business Alabama magazine

2023 J. W. MARRIOTT, JR. GUEST EXPERIENCE AWARD

/MINA & Full Service Owners Conference

Robert Trent Jones Golf Trail

The Shoals

2024 LEADING INDIVIDUAL GOLF VISIT EXPERIENCE*

/59Club USA's Inaugural Service Excellence Awards

*Tied with Cascata Golf Club (CDN Golf Management)

Capitol Hill

#2 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to The Judge

#5 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to The Legislator

Grand National

#3 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to Lake Course

#10 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to Links Course

Ross Bridge

#4 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek



Cambrian Ridge

#6 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to Sherling/Canyon

Magnolia Grove

#9 BEST PUBLIC-ACCESS COURSES IN ALABAMA

/Golfweek / awarded to Falls Course

Fixed Income Activity

Towards the end of the previous fiscal year, Fitch Ratings stripped the U.S. government of its AAA status, citing the "expected fiscal deterioration, growing general government debt burden, and the erosion of governance." Hawkish rhetoric at the September Federal Open Market Committee (FOMC) meeting pushed rates meaningfully higher, with the long end of the curve taking the brunt of the punishment. At the time, we stated that the market had positioned itself for a potential recession that never came to fruition. Fiscal year 2024 has played out fairly the same, with a few caveats along the way.

Treasury yields were on the move again at the beginning of the new fiscal year as elevated readings regarding inflation reinforced policymakers' need to keep short-term interest rates higher for longer.

Consumer spending also showed surprising strength during this time as retail sales continued to eclipse expectations.

Intermediate and long-term treasury yields crossed the 5% threshold, while investment grade and mortgage-backed spread levels widened. This march higher ended soon after as borrowing projections from the Treasury Department were lower than anticipated, and comments from Federal Reserve Chairman Jay Powell fueled investors' optimism that additional rate hikes were off the table. Thus began a sizable decline in government yields and a massive rally in risk assets to end the calendar year.

With policymakers holding rates steady for three consecutive meetings, financial markets were pricing in a total of six interest rate cuts in 2024, with the first arriving at the March FOMC meeting. However, a strong retail sales number for the month of December led to an abrupt selloff in risk assets. A few Fed officials also pushed back on the poised-to-cut narrative.

With the economy exceeding growth forecasts during the fourth quarter, the Chairman essentially threw cold water on a potential cut at the March meeting.

That is understandable, given the continued strength in the labor market, growth in hourly earnings, and an unemployment rate still hovering below 4%. This, coupled with a few monthly consumer price increases, led to multiple bearish selloffs in the bond market during Spring 2024.

In early May, the FOMC maintained its target rate at 5.25-5.50% and announced its intention to

reduce the amount of balance sheet runoff within its treasury holdings. A slightly softer employment picture and an adjustment higher in the unemployment rate reduced the upward pressure on bond yields. Core CPI, which excludes food and energy costs, slowed to a 3.60% annual increase, its lowest reading in three years. The following weeks revealed conflicting data points on the state of the economy, while the underlying theme of lower inflation shifted the rate structure lower.

Volatility began to pick up as the fund headed into the final quarter of the fiscal year.

Softer-than-expected data, highlighted by the monthly decline in the June CPI print, resulted in a dramatic bull steepening in the yield curve. Dovish signaling by Chairman Powell at the FOMC press conference on the last day of the month strengthened investors' confidence in a rate cut at its next meeting in September. A contraction in manufacturing data and a sizable payroll miss at the beginning of August sent rate expectations crashing. The solid labor market that the hawks have pointed to time and again had seemingly cracked. Front-end treasury yields plummeted over 25bps, with intermediate and long-end securities not far behind. The market began to price in approximately five interest rate cuts by the end of the calendar year.

Risk assets, including corporate bonds, fared well during this time as the resilience of the consumer kept the economy on track.

By early September, the yield curve finally normalized after staying inverted for two years. Short-term treasury yields fell approximately 125bps since the beginning of the quarter. The number of policy moves expected by the middle of next year had steadily risen to ten. At its September meeting, the Fed delivered a 50bp cut to remove itself from restrictive territory while the inflation picture had become much clearer. **The fiscal year ended with a five-month rally in bonds, the best run within fixed income in over a decade.**

For the fiscal year, the total annual returns for the public domestic fixed-income portfolios were 11.50% for the TRS, 11.47% for the ERS, and 11.43% for the JRF. The five-year annualized returns were 1.34% for the TRS, 1.32% for the ERS, and 1.32% for the JRF. The ten-year annualized returns were 2.52% for the TRS, 2.51% for the ERS, and 2.43% for the JRF.

Equity Activity

Fiscal year 2024 followed the lead of the prior year, with market returns up across the board in all our asset classes. Despite coming into the year with broad expectations that prior Federal Reserve rate hikes would slow the economy, the much-hyped soft landing/no landing scenario for the economy won out. Despite the continued inverted yield curve, a wealth of geopolitical concerns, and a presidential election year that proved to be anything but cordial, the economy stayed the course. **By the end of the fiscal year, corporate earnings, as measured by the S&P 500, look to be up about 8% compared to 2023.** The offset to this is that valuation levels are not as attractive currently because we witnessed a big jump in market multiples. With a large part of gains coming from P/E expansion, the message is expectations going forward have moved higher. This means the bar has been reset, so the results needed to sustain the market move may prove more challenging.

Looking at the portfolio, we have continued to pare back our overweighting in large capitalization stocks. **The past two years have seen an inordinate amount of returns coming from the mega-cap companies. Much of that can be attributed to the large spend around Artificial Intelligence as it has become the dominate theme in technology.** We have benefited from our exposure over the past two years, but feel that maintaining the rapid growth experienced by the AI-centric companies will be hard to follow in the foreseeable future. Thus, we have continued to ratchet down our exposure. **We did see good breadth improvement as we moved**

deeper into the year, with both mid- and small-cap stocks posting returns north of 25%. International equities fared about the same as mid- and small-cap, up around 25%. This is noteworthy, considering the economies of the larger weightings in the international equity portfolio have been teetering on the edge of a recession the last year.

Looking forward, we expect more of the same from a fiscal policy standpoint. The history of fiscal spending by the Trump administration shows little regard for the large deficit the U.S. has incurred since the GFC and through the COVID period. We expect there will be heightened volatility as the administration rolls out their new fiscal policies and the markets readjust. We have been redeploying our equity sales into the core fixed-income portfolio, as well as building up cash in the event there is a pullback associated with any uncertainty around big policy changes that may be forthcoming.

For the year, the RSA domestic equity portfolios returned 31.83%, 32.22%, and 30.62% for the TRS, ERS, and JRF funds, respectively. International equity returns were fairly homogeneous in both the developed and emerging markets portfolios. Total international equity returns were 25.03% for the TRS, 25.04% for the ERS, and 24.94% for the JRF. The combined total returns for the overall equity portfolios were 30.18%, 30.48%, and 29.24% for the TRS, ERS, and JRF, respectively. Three-, five-, and ten-year annualized global equity returns were 8.99%, 12.81%, and 10.79% for the TRS, 9.12%, 12.88%, and 10.85% for the ERS, and 8.87%, 12.88%, and 10.88% for the JRF, respectively.

			
MARC GREEN M.B.A. CFA	MICHAEL BROADWATER M.S.	HUNTER BRONSON M.S. CFA	ALLAN CARR M.B.A. CFA
DEPUTY DIRECTOR OF INVESTMENTS	EQUITY ANALYST	ASSISTANT DIRECTOR OF EQUITIES	DIRECTOR OF EQUITIES
			
RACHEL DANIELS MACC CFA CPA	MATTHEW DEJEAN MACC	KEVIN W. GAMBLE M.B.A. CFA	C. LANCE LACHNEY M.B.A. CFA
PRIVATE PLACEMENTS PORTFOLIO MANAGER	EQUITY ANALYST	SENIOR EQUITY ANALYST & DIRECTOR OF UNIVERSITY RELATIONS	DIRECTOR OF FIXED INCOME
			
STEVE R. LAMBDIN M.B.A. CFA	BOBBY LONG M.B.A. CFA	MICHAEL MCNAIR M.B.A. CFA	CHRIS OXAAL M.S.
ASSISTANT DIRECTOR OF EQUITIES	SENIOR EQUITY ANALYST PORTFOLIO MANAGER	EQUITY ANALYST	EQUITY ANALYST
			
NICHOLAS A. PRILLAMAN M.S. CFA	KAYLEE QUINN MACC		
FIXED INCOME ANALYST PORTFOLIO MANAGER	FIXED INCOME ANALYST		



Returns

FOR THE PERIOD ENDED SEPTEMBER 30, 2024 (IN %)	NET ASSET VALUE	1 YEAR	3 YEARS	5 YEARS	10 YEARS
TOTAL PORTFOLIO					
TRS	\$32,009,959,513	21.10	6.00	9.05	8.00
ERS	16,515,243,613	21.21	5.97	9.00	8.07
JRF	373,023,221	22.21	6.05	9.17	8.07
TOTAL DOMESTIC EQUITY					
TRS	15,302,732,296	31.83	10.05	14.15	12.14
ERS	7,911,215,203	32.22	10.28	14.29	12.21
JRF	184,375,290	30.62	9.84	14.25	12.28
DOMESTIC EQUITY BENCHMARKS					
S&P 500		36.35	11.91	15.98	13.38
Mid Cap 400		26.79	7.47	11.78	10.32
Small Cap 600		25.86	3.99	10.21	10.05
TOTAL INTERNATIONAL EQUITY					
TRS	4,734,446,625	25.03	5.55	8.25	5.96
ERS	2,387,752,110	25.04	5.37	8.15	5.87
JRF	55,759,753	24.94	5.72	8.29	5.99
INTERNATIONAL EQUITY BENCHMARKS					
MSCI EAFE (NET)		24.77	5.48	8.20	5.71
MSCI Emerging Markets		26.05	0.40	5.75	4.02
STOXX Europe 600 Optimised Cyclical		31.75	4.50	8.59	3.40
TOTAL FIXED INCOME AND ALTERNATIVES					
TRS	9,390,142,055	8.30	0.66	2.16	3.11
ERS	4,831,078,039	8.43	0.46	2.20	3.44
JRF	101,422,367	11.63	0.09	1.65	2.53
FIXED INCOME BENCHMARKS					
Bloomberg Aggregate		11.57	-1.39	0.33	1.84

Maturity Structure

The management of maturities for the bond portfolio is an integral part of the RSA's objective of providing a stable cash flow to meet retirement benefit needs. The RSA has historically structured its purchases in longer-term securities with intermediate call protection or average lives in order to meet its retirement obligations.

MATURITY STRUCTURE (IN %)

Years to Maturity	TRS			ERS		
	2024	2023	2022	2024	2023	2022
<1	6	6	7	6	6	7
1 to 5	35	37	37	36	38	37
6 to 10	18	20	20	18	20	20
>10	41	36	35	40	35	35
= or >30	0	1	1	0	1	1

Quality Evaluation

The RSA continued its long-standing policy of investing in high-quality, fixed-income products. Bond ratings, however, provide only a starting point in the evaluation of the relative investment qualities of a bond. Times have changed dramatically over the past decade, and few companies today have a rating of AAA to A. Many companies are now rated BAA or lower.

QUALITY EVALUATION (IN %)

Rating	TRS			ERS		
	2024	2023	2022	2024	2023	2022
AAA*	57	58	52	57	58	52
AA	1	1	1	1	1	1
A	13	12	12	13	12	12
BAA	18	19	23	18	19	23
BA	1	1	1	1	1	1
Not Rated	10	9	11	10	9	11

*TREASURY, AGENCY, AND AGENCY MBS SECURITIES



Broker Commissions Paid

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

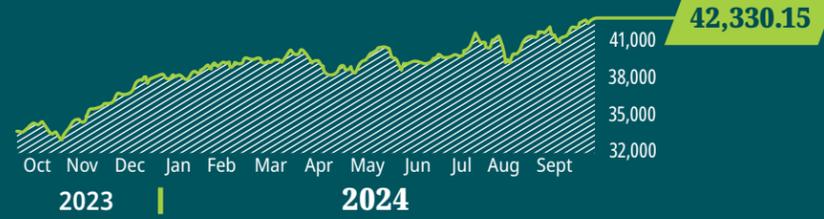
	COMMISSIONS STOCK TRANSACTIONS (\$ IN THOUSANDS)	FIXED SECURITIES COMMISSIONS (\$ IN THOUSANDS)
BANK OF AMERICA / MERRILL LYNCH	229	128
BARCLAYS		53
BERNSTEIN	288	
CITIGROUP	95	172
CONVERGEX	523	
COWEN	168	
GOLDMAN SACHS	112	82
INSTINET	247	
INTERNATIONAL STRATEGY AND INVESTMENT—ISI	271	
ISSUER DESIGNATED		435
JEFFERIES	33	
JP MORGAN CHASE	71	213
MARBLE WEALTH	50	
MORGAN STANLEY	534	184
NATIONAL BANK OF COMMERCE SECURITIES	80	
PIPER SANDLER	43	
RAYMOND JAMES & ASSOCIATES	175	
RENAISSANCE SECURITIES	213	
ROYAL BANK OF CANADA—RBC	148	154
SEAPORT	19	
SECURITIES CAPITAL	43	
STIFEL NICOLAUS	337	2
STRATEGAS	245	
TRUIST		25
UBS SECURITIES	68	
WELLS FARGO	402	237
WILLIAM BLAIR	90	

TOTAL \$4,484 \$1,685



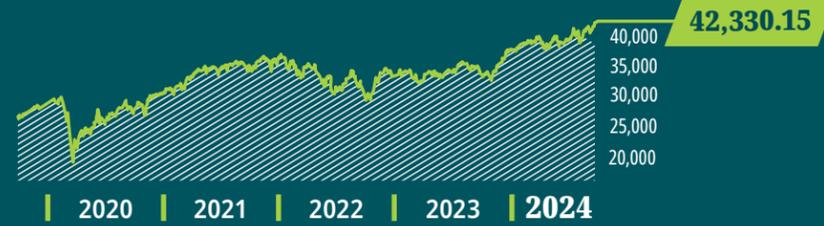
DOW JONES INDUSTRIAL AVERAGE

1 YEAR



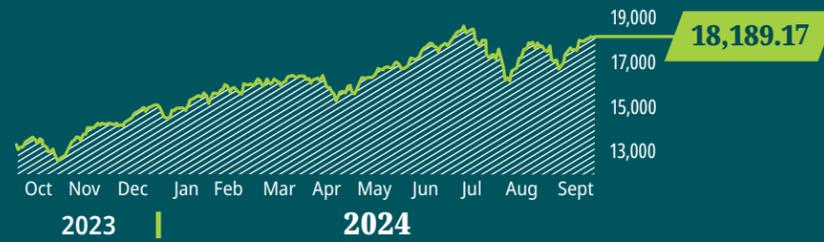
DOW JONES INDUSTRIAL AVERAGE

5 YEAR



NASDAQ COMPOSITE

1 YEAR



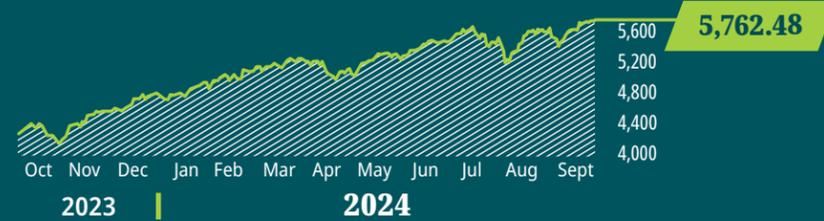
NASDAQ COMPOSITE

5 YEAR



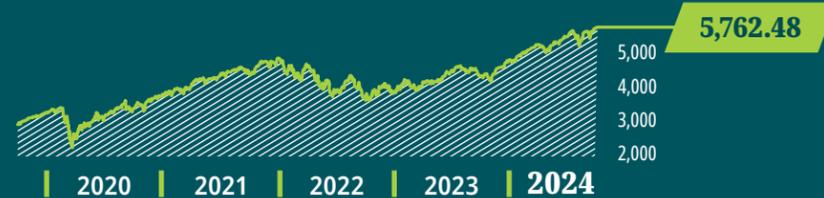
S&P 500 INDEX

1 YEAR

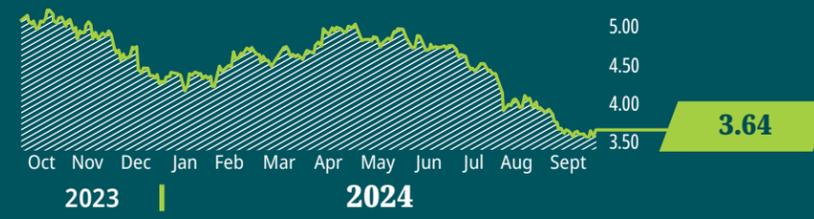


S&P 500 INDEX

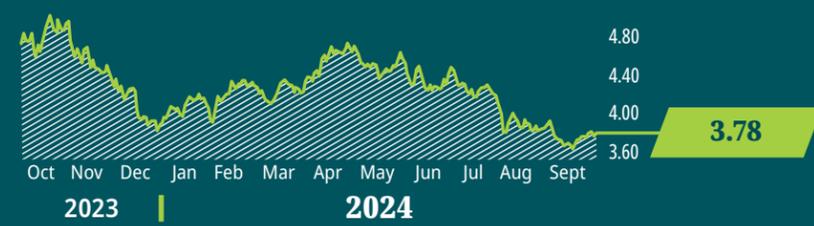
5 YEAR



U.S. TREASURY 2 YEAR NOTE (YIELD)



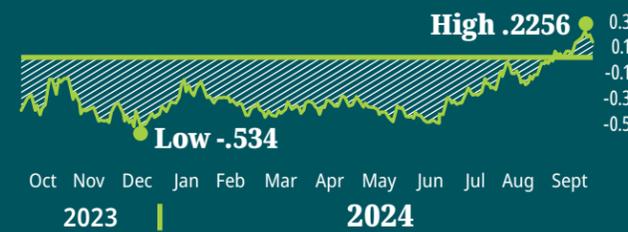
U.S. TREASURY 10 YEAR BOND (YIELD)



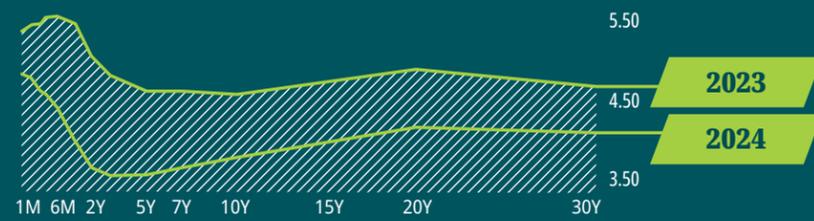
U.S. TREASURY 30 YEAR BOND (YIELD)



SPREAD DIFFERENCE BETWEEN 2 YEAR & 10 YEAR TREASURIES



U.S. TREASURY YIELD CURVE 2024 VS. 2023



FEDERAL FUNDS RATE UPPER BOUND





Member Services Contact Center

Take advantage of Member Services' personalized assistance concerning your retirement and healthcare benefits by contacting the Member Services Contact Center at **877.517.0020** or **334.517.7000**. You may also send an email to member.services@rsa-al.gov.

RSA-AL.GOV / Please visit the Retirement Systems of Alabama website. All RSA members can register and easily view their address online, and add or update their phone number and email address. In addition, TRS, ERS, JRF, and RSA-1 members can view their account information online. PEEHIP members can also view their current PEEHIP coverages, change coverages, enroll in new coverages, and/or enroll or reenroll in flexible spending accounts during Open Enrollment.

To Visit Member Services

RSA HEADQUARTERS 201 SOUTH UNION STREET, MONTGOMERY, AL 36104

FROM THE *NORTH*

Follow I-65 South into Montgomery. Take the I-85 North exit to the right to Atlanta. Stay in the right-hand lane and take the first exit on I-85, which is the Court Street exit. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right before Adams Avenue. Members may park in the open lot in front of the parking deck.

FROM THE *EAST*

Follow I-85 South to downtown Montgomery and take the Union Street exit on the right. Take the first right on the service road onto Union Street. Continue on Union Street through one traffic light. The RSA Headquarters is on the right before Adams Avenue. Members may park in the open lot in front of the parking deck.

FROM THE *WEST*

Follow Highway 80 to I-65. Follow I-65 North to Montgomery. Approaching Montgomery, stay in the right-hand lane and exit onto I-85 North to Atlanta. Continue in the right-hand lane, then take the first exit, which is Court Street. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right-hand side before Adams Avenue. Members may park in the open lot in front of the parking deck.

FROM THE *SOUTH*

Follow I-65 North to Montgomery. Approaching Montgomery, stay in the right-hand lane and exit onto I-85 North to Atlanta. Continue in the right-hand lane, then take the first exit, which is Court Street. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right before Adams Avenue. Members may park in the open lot in front of the parking deck.



877.517.0020 / rsa-al.gov

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