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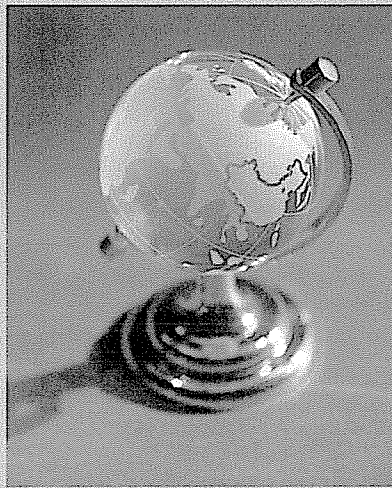
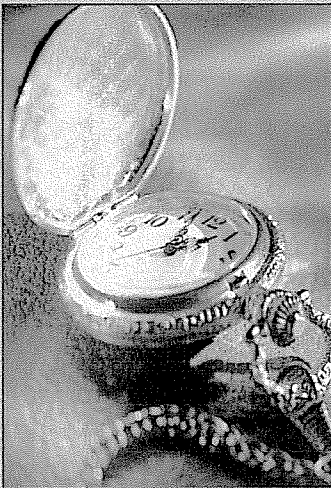
CONSULTING, LLC

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Report on the Actuarial Valuation of the Employees' Retirement System of Alabama

Prepared as of
September 30, 2004



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August 29, 2005

Board of Control
Employees' Retirement System of Alabama
State Capitol
Montgomery, AL 36104

Members of the Board:

In this report are submitted the results of the actuarial valuation of the Employees' Retirement System of Alabama, prepared as of September 30, 2004 in accordance with Section 36-27-23(p) of the act governing the operation of the System. The purpose of this report is to provide a summary of the funded status of the system as of September 30, 2004, to recommend rates of contribution and to provide accounting information under Governmental Accounting Standards Board Statements No. 25 and 27 (GASB 25 and 27). While not verifying the data at source, the actuary performed tests for consistency and reasonability. The valuation liabilities include the cost-of-living increase effective October 1, 2005 granted to retired members under Act 2005-316. On the basis of the valuation, it is recommended that the State make contributions to the Retirement System for State employees (members other than State policemen) at the rate of 7.78% of payroll. It is also recommended that the State make contributions to the Retirement System for State policemen at the rate of 24.12% of payroll for the fiscal year ending September 30, 2007.

The financing objective of the System has been to have contribution rates remain relatively level over time as a percentage of payroll. The promised benefits of the System are included in the actuarially calculated contribution rates which are developed using the entry age normal cost method. Market related value of plan assets is used for actuarial valuation purposes. Gains and losses are reflected in the unfunded accrued liability that is being amortized by regular annual contributions as a level percentage of payroll within a 20-year period for State Employees and State Police, on the assumption that payroll will increase by 4.5% annually. The assumptions recommended by the actuary and adopted by the Board are in the aggregate reasonably related to the experience under the Fund and to reasonable expectations of anticipated experience under the Fund and meet the parameters for the disclosures under GASB 25 and 27.

We have prepared the Schedule of Funding Progress and Trend Information shown in the financial section of the Comprehensive Annual Financial Report, and all supporting schedules including the Schedule of Active Member Valuation Data, the Solvency Test and the Analysis of Financial Experience shown in the actuarial section of the Comprehensive Annual Financial Report. All historical information that references a valuation date prior to September 30, 2004 was prepared by the previous actuarial firm.

This is to certify that the independent consulting actuary is a member of the American Academy of Actuaries and has experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

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In our opinion the System is operating on an actuarially sound basis. Assuming that contributions to the System are made by the employer from year to year in the future at the rates recommended on the basis of the successive actuarial valuations, the continued sufficiency of the retirement fund to provide the benefits called for under the System may be safely anticipated.

The Table of Contents, which immediately follows, outlines the material contained in the report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'E. Macdonald', written in a cursive style.

Edward A. Macdonald, ASA, MAAA, FCA
President

EAM:sh



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**REPORT ON THE ACTUARIAL VALUATION OF
THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA
PREPARED AS OF SEPTEMBER 30, 2004**



SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results for State Employees, Local Employees and State Police are summarized below:

SUMMARY OF PRINCIPAL RESULTS FOR STATE EMPLOYEES

VALUATION DATE	September 30, 2004	September 30, 2003
Number of active members	31,830 ¹	33,038 ²
Annual compensation	\$ 1,097,149,989 ¹	\$ 1,141,412,299 ²
Number of retired members and beneficiaries	16,016	15,565
Annual retirement allowances	\$ 256,624,378 ³	\$ 245,570,882
Number of DROP participants	1,127	712
Annual allowances	\$ 33,129,858	21,083,982
Assets:		
Actuarial value	\$ 4,590,563,622	\$ 4,512,192,058
Market value	4,122,194,304	3,894,233,308
Unfunded accrued liability	\$ 490,774,135	\$ 330,130,912
CONTRIBUTIONS FOR FISCAL YEAR ENDING	September 30, 2007	September 30, 2006
Employer contribution rate:		
Normal	4.50%	4.50%
Accrued liability ⁴	2.95	1.94
Death benefit	0.15	0.15
Administration	<u>0.18</u>	<u>0.18</u>
Total	7.78%	6.77%
Amortization period	20 years	20 years

¹ In addition, there were 1,127 members with annual compensation of \$58,464,002 who were participating in the DROP program as of September 30, 2004. Employers of the Retirement System contribute on this payroll.

² In addition, there were 712 members with annual compensation of \$38,584,105 who were participating in the DROP program as of September 30, 2003. Employers of the Retirement System contribute on this payroll.

³ Does not include COLA granted under Act 2005-316.

⁴ Includes contribution rate for COLA payments.



SUMMARY OF PRINCIPAL RESULTS FOR STATE POLICEMEN

VALUATION DATE	September 30, 2004	September 30, 2003
Number of active members	719 ¹	736 ²
Annual compensation	\$ 35,266,675 ¹	\$ 36,418,412 ²
Number of retired members and beneficiaries	713	701
Annual retirement allowances	\$ 24,007,089 ³	\$ 23,223,682
Number of DROP participants	33	24
Annual allowances	\$ 1,539,842	\$ 1,113,101
Assets:		
Actuarial value	\$ 332,310,718	\$ 332,147,355
Market value	295,981,896	284,349,695
Unfunded accrued liability	\$ 50,930,138	\$ 33,084,508
CONTRIBUTION FOR FISCAL YEAR ENDING	September 30, 2007	September 30, 2006
Employer contribution rate:		
Normal	14.72%	14.98%
Accrued liability ⁴	9.07	6.05
Death benefit	0.15	0.15
Administration	<u>0.18</u>	<u>0.18</u>
Total	24.12%	21.36%
Amortization Period	20 years	20 years

¹ In addition, there were 33 members with annual compensation of \$3,718,491 who were participating in the DROP program as of September 30, 2004. Employers of the Retirement System contribute on this payroll.

² In addition, there were 24 members with annual compensation of \$1,559,620 who were participating in the DROP program as of September 30, 2003. Employers of the Retirement System contribute on this payroll.

³ Does not include COLA granted under Act 2005-316.

⁴ Includes contribution rate for COLA payments.



SUMMARY OF PRINCIPAL RESULTS FOR LOCAL EMPLOYEES

VALUATION DATE	September 30, 2004	September 30, 2003
Number of active members	48,700 ¹	48,530 ²
Annual compensation	\$ 1,493,200,887 ¹	\$ 1,450,795,652 ²
Number of retired members and beneficiaries	13,269	12,685
Annual retirement allowances	\$ 175,322,025	\$ 162,184,576
Number of DROP participants	280	187
Annual allowances	\$ 7,322,018	\$ 5,073,503
Assets:		
Actuarial value	\$ 3,641,070,572 ³	\$ 3,468,160,824 ⁴
Market value	3,315,648,400 ³	3,025,187,470 ⁴
Unfunded accrued liability	\$ 440,828,883	\$ 448,564,066
CONTRIBUTIONS FOR FISCAL YEAR ENDING	September 30, 2007	September 30, 2005⁵
Employer contribution rate:		
Normal	Varies	Varies
Accrued liability ⁶	Varies	Varies
Death benefit	0.15	0.15
Administration	<u>0.18</u>	<u>0.18</u>
Total	Varies	Varies
Amortization period	Varies	Varies

¹ In addition, there were 280 members with annual compensation of \$14,593,390 who were participating in the DROP program as of September 30, 2004. Employers of the Retirement System contribute on this payroll.

² In addition, there were 187 members with annual compensation of \$8,254,605 who were participating in the DROP program as of September 30, 2003. Employers of the Retirement System contribute on this payroll.

³ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.

⁴ Includes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements as of September 30, 2003. These contributions were recognized for valuation purposes.

⁵ The September 30, 2003 valuation will also determine contributions for the fiscal year ending September 30, 2006.

⁶ Includes contribution rate for COLA payments.



SUMMARY OF PRINCIPAL RESULTS FOR ALL GROUPS

VALUATION DATE	September 30, 2004	September 30, 2003
Number of active members	81,249 ¹	82,304 ²
Annual compensation	\$ 2,625,617,551 ¹	\$ 2,628,626,363 ²
Number of retired members and beneficiaries	29,998	28,951
Annual retirement allowances	\$ 455,953,492 ³	\$ 430,979,140
Number of DROP participants	1,440	923
Annual allowances	\$ 41,991,718	27,270,586
Assets:		
Actuarial value	\$ 8,563,944,912 ⁴	\$ 8,312,500,237 ⁵
Market value	7,733,824,600 ⁴	7,203,770,473 ⁵
Unfunded accrued liability	\$ 982,533,156	\$ 811,779,486

¹ In addition, there were 1,440 members with annual compensation of \$76,775,883 who were participating in the DROP program as of September 30, 2004. Employers of the Retirement System contribute on this payroll.

² In addition, there were 923 members with annual compensation of \$48,398,330 who were participating in the DROP program as of September 30, 2003. Employers of the Retirement System contribute on this payroll.

³ Does not include COLA granted under Act 2005-316.

⁴ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.

⁵ Includes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements as of September 30, 2003. These contributions were recognized for valuation purposes.

- The valuation indicates that employer contributions at the rate of 7.78% of payroll for State employees and 24.12% for State policemen and varying rates shown on Schedule H for local employees, along with member contributions of 10.00% for State policemen, 6.00% for certified police officers, firefighters, and correctional officers and 5.00% for other State and local employees, are sufficient to support the benefits of the System. Comments on the valuation results as of September 30, 2004 are given in Section IV and further discussion of the contribution levels is set out in Section V.
- Schedule B shows the development of the actuarial value of assets. Schedule D of this report outlines the full set of actuarial assumptions and methods used in the current valuation. There have been no changes since the previous valuation.
- The valuation takes into account the effect of amendments to the System through the valuation date. Provisions of the System, as summarized in Schedule F, were taken into account in the current valuation. The valuation reflects the cost-of-living increase effective October 1, 2005 granted under Act No. 2005-316.



SECTION II – MEMBERSHIP DATA

1. Data regarding the membership of the System for use as a basis of the valuation were furnished by the Retirement System office. The following table shows the number of active members and their annual compensation as of September 30, 2004 on the basis of which the valuation was prepared.

TABLE 1
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS AS OF SEPTEMBER 30, 2004

GROUP	NUMBER	COMPENSATION
State Employees	31,830	\$ 1,097,149,989
State Policemen	719	35,266,675
Local Employees	<u>48,700</u>	<u>1,493,200,887</u>
Total	81,249	\$ 2,625,617,551

The table reflects the active membership for whom complete valuation data were submitted. The results of the valuation were adjusted to take into account an additional 9,465 non-contributing inactive members and members for whom incomplete data were submitted. In addition, there were 1,440 members with annual compensation of \$76,775,883 who were participating in the DROP program as of September 30, 2004.

2. The following table shows a six-year history of active member valuation data.

TABLE 2
SCHEDULE OF ACTIVE MEMBER VALUATION DATA

Valuation Date	Number	Annual Payroll	Annual Average Pay	% Increase in Average Pay
9/30/2004 ¹	81,249	\$ 2,625,617,551	\$ 32,316	1.18%
9/30/2003 ²	82,304	2,628,626,363	31,938	3.12
9/30/2002 ³	81,545	2,525,514,089	30,971	3.20
9/30/2001	80,256	2,408,542,913	30,011	2.33
9/30/2000	77,693	2,278,637,042	29,329	2.85
9/30/1999	75,734	2,159,607,572	28,516	2.37

- ¹ In addition, there are 1,440 members with compensation of \$76,775,883 who are currently participating in the DROP. Employers of the Retirement System contribute on this payroll.
- ² In addition, there are 923 members with compensation of \$48,398,330 who are currently participating in the DROP. Employers of the Retirement System contribute on this payroll.
- ³ In addition, there are 428 members with compensation of \$22,260,590 who are currently participating in the DROP. Employers of the Retirement System contribute on this payroll.



3. The following table shows the number and annual retirement allowances payable to retired members and their beneficiaries on the roll of the Retirement System as of the valuation date.

TABLE 3
THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES¹
OF RETIRED MEMBERS AND BENEFICIARIES OF
DECEASED MEMBERS ON THE ROLL AS OF SEPTEMBER 30, 2004

TYPE OF RETIREMENT	GROUP			
	STATE EMPLOYEES	STATE POLICEMEN	LOCAL EMPLOYEES ²	TOTAL
Service:				
Number	12,897	581	10,491	23,969
Annual Allowances	\$ 226,525,846	\$ 21,807,355	\$ 153,328,467	\$ 401,661,668
Disability:				
Number	1,650	40	1,260	2,950
Annual Allowances	\$ 17,729,985	\$ 894,968	\$ 12,450,715	\$ 31,075,668
Beneficiaries:				
Number	1,469	92	1,518	3,079
Annual Allowances	\$ 12,368,547	\$ 1,304,766	\$ 9,542,843	\$ 23,216,156
DROP participants:				
Number	1,127	33	280	1,440
Annual Allowances	\$ 33,129,858	\$ 1,539,842	\$ 7,322,018	\$ 41,991,718
Total:				
Number	17,143	746	13,549	31,438
Annual Allowances	\$ 289,754,236	\$ 25,546,931	\$ 182,644,043	\$ 497,945,210

¹Does not include COLA granted under 2005-316.

²In addition, there are 42 terminated vested members with annual deferred allowances totaling \$185,794.

4. Tables 1 through 3 of Schedule G show the distribution by age and service of the number and average annual compensation of active members included in the valuation.



SECTION III - ASSETS

1. As of October 1, 2001, the retirement law provided for the maintenance of three funds for the purpose of recording the fiscal transactions of the System, namely, the Annuity Savings Fund, the Pension Accumulation Fund, and the Pre-Retirement Death Benefit Fund. Effective February 1, 2003, a separate fund was created for the DROP.

- (a) Annuity Savings Fund

The Annuity Savings Fund is the fund to which are credited all contributions made by members, except those contributions made by members who are participating in DROP, together with regular interest thereon. When a member retires or when a survivor allowance becomes payable or a member enters DROP, the amount of the member's accumulated contributions are transferred from the Annuity Savings Fund to the Pension Accumulation Fund. On September 30, 2004, the market value of assets credited to this Fund amounted to \$1,553,554,760 which represent the contributions of members to this date.

- (b) Pension Accumulation Fund

The Pension Accumulation Fund is the fund to which are credited all contributions made by the employers, except those contributions made to the Pre-Retirement Death Benefit Fund which was created October 1, 1983. When a member retires or when a survivor allowance becomes payable, the pension is paid from this fund. When a members enters DROP, the deferred pension is transferred from this fund to the DROP Fund. On September 30, 2004 the market value of assets credited to this fund amounted to \$6,154,064,476.

- (c) DROP Fund

The DROP Fund is the fund to which are credited deferred retirement benefits on behalf of members who elect to participate in the DROP, together with regular interest thereon. In addition, employer contributions while participating in the DROP, together with regular interest therein, are credited to the Fund. At the end of the DROP deferral period, the member receives the amount of the deferred retirement benefits and contributions plus interest in the member's DROP account. On September 30, 2004, the market value of assets credited to this Fund amounted to \$67,005,364.

- (d) Pre-Retirement Death Benefit Fund

The Pre-Retirement Death Benefit Fund is the fund to which are credited contributions made by the employer for the special pre-retirement death benefit which became effective October 1, 1983. On September 30, 2004, the market value of assets credited to this fund amounted to \$15,269,407.



2. As of September 30, 2004 the total market value of assets exclusive of the Pre-Retirement Death Benefit Fund amounted to \$7,774,624,600 as shown in the following table.

TABLE 4
MARKET VALUE OF ASSETS BY FUND
AS OF SEPTEMBER 30, 2004

FUND	MARKET VALUE OF ASSETS
Annuity Savings Fund	\$ 1,553,554,760
Pension Accumulation Fund	6,154,064,476
DROP Fund	<u>67,005,364</u>
Total Market Value of Assets	\$ 7,774,624,600

In addition to the amount shown above, for valuation purposes, we have recognized \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have excluded \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.

3. The five-year market related actuarial value of assets used for the current valuation was \$8,563,944,912. Schedule B shows the development of the actuarial value of assets as of September 30, 2004. The following table shows the actuarial value of assets allocated among State employees, State policemen and local employees.



TABLE 5

COMPARISON OF ACTUARIAL VALUE OF ASSETS
AT SEPTEMBER 30, 2004 AND SEPTEMBER 30, 2003

GROUP	SEPTEMBER 30, 2004 ACTUARIAL VALUE	SEPTEMBER 30, 2003 ACTUARIAL VALUE
State Employees	\$ 4,590,563,622	\$ 4,512,192,058
State Policemen	332,310,718	332,147,355
Local Employees	<u>3,641,070,572</u>	<u>3,468,160,824</u>
Total Assets	\$ 8,563,944,912	\$ 8,312,500,237

- Schedule C shows the receipts and disbursements of the System for the year preceding the valuation date and a reconciliation of the fund balances at market value.

SECTION IV - COMMENTS ON VALUATION

- Schedule A of this report contains the valuation balance sheets which show the present and prospective assets and liabilities of the System as of September 30, 2004. Separate balance sheets are shown for each employee group as well as in total for all groups.
- The total valuation balance sheet shows that the System has total prospective liabilities of \$11,622,439,306, of which \$4,496,853,612 is for the prospective benefits payable on account of present retired members and beneficiaries of deceased members, and \$7,125,585,694 is for the prospective benefits payable on account of present active and inactive members. Against these liabilities the System has total present actuarial value of assets of \$8,563,944,912 as of September 30, 2004. The difference of \$3,058,494,394 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future. Of this amount, \$1,115,061,225 is the present value of future contributions expected to be made by members to the Annuity Savings Fund, and the balance of \$1,943,433,169 represents the present value of future contributions payable by the employers.
- The employers' contributions to the System consist of normal contributions, accrued liability contributions and current disbursement cost-of-living benefit increase contributions. The valuation indicates that employer normal contributions at the rate of 4.50% of payroll are required to provide the benefits of the System for the average new member of the State employees system. For State



policemen, employer normal contributions at the rate of 14.72% of payroll are required. For local employees, varying rates of employer normal contributions as shown in Schedule H are required.

4. Prospective employer normal contributions at the above rates have a present value of \$960,900,013. When this amount is subtracted from \$1,943,433,169, which is the present value of the total future contributions to be made by the employers, there remains \$982,533,156 as the amount of future cost-of-living and accrued liability contributions. Of this amount, \$490,774,135 represents the future cost-of-living and accrued liability contributions on account of State employees, \$50,930,138 represents the future cost-of-living and accrued liability contributions on account of State policemen and the balance of \$440,828,883 represents the future cost-of-living and accrued liability contributions on account of local employees participating in the System under Section 36-27-6 of the retirement act.
5. For State employees, it is recommended that the accrued liability contribution rate payable by the State be set at 2.95% of payroll. For State policemen, it is recommended that the accrued liability contribution rate payable by the State be set at 9.07% of payroll. These rates include payment of cost-of-living benefit increases and are sufficient to liquidate the unfunded accrued liability of \$490,774,135 for State employees and \$50,930,138 for State policemen within 20 years on the assumption that the aggregate amount of accrued liability contribution will increase by 4.50% each year.
6. The individual accrued liability contribution rates for employers participating in the System under Section 36-27-6 of the retirement act are shown in Schedule H of the report. These rates include payment of cost-of-living benefit increases.
7. For all employers, an additional contribution of 0.15% of payroll will be required to meet the cost of the pre-retirement death benefit program established under Act No. 83-616.
8. For all employers, an additional contribution of 0.18% is required to cover the expenses of administering the System.



SECTION V - CONTRIBUTIONS PAYABLE BY EMPLOYERS

1. The retirement act provides that the Board of Control shall certify to the chief fiscal officer of each employer the rates of contribution required to be paid by the employer.
2. On the basis of the actuarial valuation prepared as of September 30, 2004 it is recommended that the State make contributions at the following rates for the fiscal year beginning October 1, 2006:

TABLE 6
RECOMMENDED CONTRIBUTION RATES

CONTRIBUTION	PERCENTAGE OF MEMBERS' COMPENSATION FOR 06/07 FISCAL YEAR	
	STATE EMPLOYEES	STATE POLICEMEN
Normal	4.50%	14.72%
Accrued liability	2.95	9.07
Death benefit	0.15	0.15
Administration	<u>0.18</u>	<u>0.18</u>
Total	7.78%	24.12%

3. Varying rates of normal contributions are presented in Schedule H for other employers. A contribution of 0.15% of payroll will also be required to meet the cost of the pre-retirement death benefit program established under Act No. 83-616. In addition, each other employer is required to pay an accrued liability contribution based on the accrued liability on account of its employees. Schedule H gives the individual normal rates, accrued liability contribution rates and the total contribution rates payable for each employer as of the valuation date. The total contribution rates in the table reflect the employer's normal contribution rate, the pre-retirement death benefit contribution rate of 0.15% of payroll, the accrued liability contribution rate of each employer, and an additional rate of 0.18% of payroll required to meet the expenses of administering the System. The accrued liability rates include contributions for all cost-of-living benefit increases granted through October 1, 2004 for those employers electing to participate. The contribution rates shown in Schedule H are payable for the fiscal year beginning October 1, 2006.



SECTION VI - ACCOUNTING INFORMATION

1. Governmental Accounting Standards Board Statements 25 and 27 set forth certain items of required supplementary information to be disclosed in the financial statements of the System and the employer. One such item is a distribution of the number of employees by type of membership, as follows:

**NUMBER OF ACTIVE AND RETIRED MEMBERS
AS OF SEPTEMBER 30, 2004**

GROUP	NUMBER			
	State Employees	State Police	Local Employees	Total
Retirees and beneficiaries currently receiving benefits	16,016	713	13,269	29,998
DROP participants	1,127	33	280	1,440
Terminated employees entitled to benefits but not yet receiving benefits	3,045	8	6,454	9,507
Active Members	<u>31,830</u>	<u>719</u>	<u>48,700</u>	<u>81,249</u>
Total	52,018	1,473	68,703	122,194



2. Another such item is the schedule of funding progress as shown below.

SCHEDULE OF FUNDING PROGRESS
(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
<u>TOTAL ALL GROUPS</u>						
9/30/1999	\$7,302,046	\$6,884,355	\$(417,691)	106.1%	\$2,159,608	(19.3)%
9/30/2000	7,769,122	7,403,968	(365,154)	104.9	2,278,637	(16.0)
9/30/2001	8,028,471	8,010,123	(18,348)	100.2	2,408,543	(0.8)
9/30/2002	8,100,846	8,493,469	392,623	95.4	2,547,775	15.4
9/30/2003	8,312,500	9,124,279	811,779	91.1	2,677,025	30.3
9/30/2004	8,563,945	9,546,478	982,533	89.7	2,702,393	36.4
<u>STATE EMPLOYEES</u>						
9/30/1999	\$4,129,850	\$3,824,206	\$(305,644)	108.0%	\$ 966,192	(31.6)%
9/30/2000	4,349,788	4,060,046	(289,742)	107.1	991,966	(29.2)
9/30/2001	4,459,002	4,350,061	(108,941)	102.5	1,059,430	(10.3)
9/30/2002	4,453,995	4,576,486	122,491	97.3	1,130,160	10.8
9/30/2003	4,512,192	4,842,323	330,131	93.2	1,179,996	28.0
9/30/2004	4,590,564	5,081,338	490,774	90.3	1,155,614	42.5
<u>STATE POLICEMEN</u>						
9/30/1999	\$ 326,686	\$ 295,064	\$ (31,622)	110.7%	\$ 31,815	(99.4)%
9/30/2000	339,641	309,180	(30,461)	109.9	31,056	(98.1)
9/30/2001	341,278	337,290	(3,988)	101.2	32,345	(12.3)
9/30/2002	333,999	347,132	13,133	96.2	33,685	39.0
9/30/2003	332,147	365,232	33,085	90.9	37,978	87.1
9/30/2004	332,311	383,241	50,930	86.7	38,985	130.6
<u>LOCAL EMPLOYEES</u>						
9/30/1999	\$2,845,511	\$2,765,086	\$ (80,425)	102.9%	\$1,161,600	(6.9)%
9/30/2000	3,079,692	3,034,742	(44,950)	101.5	1,255,616	(3.6)
9/30/2001	3,228,192	3,322,773	94,581	97.2	1,316,767	7.2
9/30/2002	3,312,852	3,569,851	256,999	92.8	1,383,930	18.6
9/30/2003	3,468,161	3,916,725	448,564	88.5	1,459,050	30.7
9/30/2004	3,641,071	4,081,900	440,829	89.2	1,507,794	29.2



3. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at September 30, 2004. Additional information as of the latest actuarial valuation follows.

	<u>State Employees</u>	<u>State Policemen</u>	<u>Local Employees</u>
Valuation date	9/30/2004	9/30/2004	9/30/2004
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percent Open	Level percent Open	Level percent Open
Remaining amortization period	20 years	20 years	Within 20 years - Varies by employer
Asset valuation method	5 year smoothed Market	5 year smoothed market	5 year smoothed market
Actuarial assumptions:			
Investment rate of return*	8.00%	8.00%	8.00%
Projected salary increases*	4.61 – 7.75%	4.61 – 7.75%	4.61 – 7.75%
Cost-of-living adjustment	None	None	None
*Includes inflation at	4.50%	4.50%	4.50%

TREND INFORMATION

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percent Of APC Contributed</u>	<u>Net Pension Obligation (NPO)</u>
<u>State Employees</u>			
9/30/2002	\$ 39,913,314	100%	\$0
9/30/2003	41,112,988	100	0
9/30/2004	44,401,619	100	0
<u>State Policemen</u>			
9/30/2002	\$ 2,898,057	100%	\$0
9/30/2003	3,313,994	100	0
9/30/2004	4,350,231	100	0
<u>Local Employees</u>			
9/30/2002	Varies	Varies	Varies
9/30/2003	Varies	Varies	Varies
9/30/2004	Varies	Varies	Varies



SCHEDULE A

**VALUATION BALANCE SHEET
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**

TOTAL - ALL GROUPS

	SEPTEMBER 30, 2004	SEPTEMBER 30, 2003
<u>ASSETS</u>		
Actuarial Value of Present Assets	\$ 8,563,944,912	\$ 8,312,500,237
Present value of future members' contributions to the Annuity Savings Fund	\$ 1,115,061,225	\$ 1,045,916,651
Present value of future employer contributions to the Pension Accumulation Fund		
Normal contributions	\$ 960,900,013	\$ 908,703,276
Unfunded accrued liability contributions	<u>982,533,156</u>	<u>811,779,486</u>
Total prospective employer contributions	\$ 1,943,433,169	\$ 1,720,482,762
Total Assets	<u>\$ 11,622,439,306</u>	<u>\$ 11,078,899,650</u>
<u>LIABILITIES</u>		
Present value of benefits payable on account of retired members and beneficiaries of deceased members now drawing retirement allowances (includes DROP members)	\$ 4,496,853,612	\$ 3,928,131,212
Present value of prospective benefits payable on account of present active and inactive members:		
Service retirement allowances	\$ 6,674,920,298	\$ 6,692,927,704
Disability retirement allowances	288,860,721	295,407,438
Survivor allowances	12,456,231	12,407,611
Refunds of members' contributions	<u>149,348,444</u>	<u>150,025,685</u>
Total	\$ 7,125,585,694	\$ 7,150,768,438
Total Liabilities	<u>\$ 11,622,439,306</u>	<u>\$ 11,078,899,650</u>



SCHEDULE A (Continued)

**VALUATION BALANCE SHEET
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**

STATE EMPLOYEES

	SEPTEMBER 30, 2004	SEPTEMBER 30, 2003
<u>ASSETS</u>		
Actuarial Value of Present Assets	\$ 4,590,563,622	\$ 4,512,192,058
Present value of future members' contributions to the Annuity Savings Fund	\$ 437,782,248	\$ 425,338,530
Present value of future employer contributions to the Pension Accumulation Fund		
Normal contributions	\$ 382,071,888	\$ 371,681,865
Unfunded accrued liability contributions	<u>490,774,135</u>	<u>330,130,912</u>
Total prospective employer contributions	\$ 872,846,023	\$ 701,812,777
Total Assets	<u>\$ 5,901,191,893</u>	<u>\$ 5,639,343,365</u>
<u>LIABILITIES</u>		
Present value of benefits payable on account of retired members and beneficiaries of deceased members now drawing retirement allowances	\$ 2,673,098,505	\$ 2,296,270,797
Present value of prospective benefits payable on account of present active and inactive members:		
Service retirement allowances	\$ 3,032,401,373	\$ 3,148,825,453
Disability retirement allowances	135,129,779	132,862,648
Survivor allowances	5,260,871	5,489,731
Refunds of members' contributions	<u>55,301,365</u>	<u>55,894,736</u>
Total	\$ 3,228,093,388	\$ 3,343,072,568
Total Liabilities	<u>\$ 5,901,191,893</u>	<u>\$ 5,639,343,365</u>



SCHEDULE A (Continued)

**VALUATION BALANCE SHEET
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**

STATE POLICEMEN

	SEPTEMBER 30, 2004	SEPTEMBER 30, 2003
<u>ASSETS</u>		
Actuarial Value of Present Assets	\$ 332,310,718	\$ 332,147,355
Present value of future members' contributions to the Annuity Savings Fund	\$ 35,774,933	\$ 34,889,626
Present value of future employer contributions to the Pension Accumulation Fund		
Normal contributions	\$ 52,660,702	\$ 52,264,651
Unfunded accrued liability contributions	<u>50,930,138</u>	<u>33,084,508</u>
Total prospective employer contributions	\$ 103,590,840	\$ 85,349,159
Total Assets	<u>\$ 471,676,491</u>	<u>\$ 452,386,140</u>
<u>LIABILITIES</u>		
Present value of benefits payable on account of retired members and beneficiaries of deceased members now drawing retirement allowances	\$ 240,055,489	\$ 215,649,054
Present value of prospective benefits payable on account of present active and inactive members:		
Service retirement allowances	\$ 227,458,473	\$ 231,917,372
Disability retirement allowances	2,878,557	3,361,533
Survivor allowances	170,240	228,762
Refunds of members' contributions	<u>1,113,732</u>	<u>1,229,419</u>
Total	\$ 231,621,002	\$ 236,737,086
Total Liabilities	<u>\$ 471,676,491</u>	<u>\$ 452,386,140</u>



SCHEDULE A (Continued)

**VALUATION BALANCE SHEET
SHOWING THE PRESENT AND PROSPECTIVE ASSETS AND LIABILITIES OF
THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**

LOCAL EMPLOYEES

	SEPTEMBER 30, 2004	SEPTEMBER 30, 2003
ASSETS		
Actuarial Value of Present Assets	\$ 3,641,070,572	\$ 3,468,160,824
Present value of future members' contributions to the Annuity Savings Fund	\$ 641,504,044	\$ 585,688,495
Present value of future employer contributions to the Pension Accumulation Fund		
Normal contributions	\$ 526,167,423	\$ 484,756,760
Unfunded accrued liability contributions	<u>440,828,883</u>	<u>448,564,066</u>
Total prospective employer contributions	\$ 966,996,306	\$ 933,320,826
Total Assets	<u>\$ 5,249,570,922</u>	<u>\$ 4,987,170,145</u>
LIABILITIES		
Present value of benefits payable on account of retired members and beneficiaries of deceased members now drawing retirement allowances	\$ 1,583,699,618	\$ 1,416,211,361
Present value of prospective benefits payable on account of present active and inactive members:		
Service retirement allowances	\$ 3,414,060,452	\$ 3,312,184,879
Disability retirement allowances	151,852,385	159,183,257
Survivor allowances	7,025,120	6,689,118
Refunds of members' contributions	<u>92,933,347</u>	<u>92,901,530</u>
Total	\$ 3,665,871,304	\$ 3,570,958,784
Total Liabilities	<u>\$ 5,249,570,922</u>	<u>\$ 4,987,170,145</u>



SCHEDULE A (continued)

SOLVENCY TEST
(\$1000's)

Valuation Date	Aggregate Accrued Liabilities For			Reported Assets	Portion of Accrued Liabilities Covered by Reported Asset		
	(1) Active Member Contributions	(2) Retirants and Beneficiaries	(3) Active Members (Employer Financed Portion)		(1)	(2)	(3)
9/30/2004 ¹	\$1,533,055 ²	\$4,496,854	\$3,516,569	\$8,563,945	100%	100%	72.1%
9/30/2003	1,484,793	3,928,131	3,711,355	8,312,500	100	100	78.1
9/30/2002	1,400,699	3,580,584	3,512,186	8,100,846	100	100	88.8
9/30/2001 ³	1,319,603	3,244,967	3,445,553	8,028,471	100	100	100.5
9/30/2000	1,219,344	3,080,504	3,104,120	7,769,122	100	100	111.8
9/30/1999	1,152,050	2,826,060	2,906,245	7,302,046	100	100	114.4

¹ Reflects COLA granted effective October 1, 2005 under Act 2005-316.

² Excludes \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 not recognized for valuation purposes.

³ Reflects changes in actuarial assumptions.



SCHEDULE B

DEVELOPMENT OF SEPTEMBER 30, 2004 ACTUARIAL VALUE OF ASSETS

TOTAL - ALL GROUPS

(1) Actuarial Value of Assets on September 30, 2003 ¹	\$ 8,312,500,237
(2) 2003/2004 Net Cash Flow	
a. Contributions ²	289,531,235
b. Disbursements	<u>487,625,066</u>
c. Net Cash Flow	
(2)a - (2)b	(198,093,831)
(3) Expected Investment Return [(1) x .08] + [(2)c x .04]	657,076,266
(4) Interest Adjustment due to Timing of Employer Lump Sum Contributions	(7,682)
(5) Expected Actuarial Value of Assets on September 30, 2004 (1) + (2)c + (3) + (4)	8,771,474,990
(6) Market Value of Assets on September 30, 2004 ³	7,733,824,600
(7) Excess of Market Value over Expected Actuarial Value (6) - (5)	(1,037,650,390)
(8) 20% Adjustment towards Market Value .20 x (7)	(207,530,078)
(9) Actuarial Value of Assets on September 30, 2004 ³ (5) + (8)	\$ 8,563,944,912

¹ Includes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements of September 30, 2003 that were recognized for valuation purposes as of September 30, 2003.

² Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004. Excludes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were recognized for valuation purposes as of September 30, 2003.

³ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.



SCHEDULE B (Continued)

DEVELOPMENT OF SEPTEMBER 30, 2004 ACTUARIAL VALUE OF ASSETS

STATE EMPLOYEES

(1) Actuarial Value of Assets on September 30, 2003	\$ 4,512,192,058
(2) Adjustment made after the valuation date	3,505,420
(3) 2003/2004 Net Cash Flow	
a. Contributions	106,417,139
b. Disbursements	<u>269,203,028</u>
c. Net Cash Flow	
(3)a - (3)b	(162,785,889)
(4) Expected Investment Return [$((1) + (2)) \times .08$] + [$(3)c \times .04$]	354,744,363
(5) Expected Actuarial Value of Assets on September 30, 2004 (1) + (2) + (3)c + (4)	4,707,655,952
(6) Market Value of Assets on September 30, 2004	4,122,194,304
(7) Excess of Market Value over Expected Actuarial Value (6) - (5)	(585,461,648)
(8) 20% Adjustment towards Market Value .20 x (7)	(117,092,330)
(9) Actuarial Value of Assets on September 30, 2004 (5) + (8)	\$ 4,590,563,622



SCHEDULE B (Continued)

DEVELOPMENT OF SEPTEMBER 30, 2004 ACTUARIAL VALUE OF ASSETS

STATE POLICEMEN

(1)	Actuarial Value of Assets on September 30, 2003	\$ 332,147,355
(2)	2003/2004 Net Cash Flow	
	a. Contributions	7,518,369
	b. Disbursements	<u>24,178,196</u>
	c. Net Cash Flow	
	(2)a - (2)b	(16,659,827)
(3)	Expected Investment Return [(1) * .08] + [(2)c x .04]	25,905,395
(4)	Expected Actuarial Value of Assets on September 30, 2004 (1) + (2)c + (3)	341,392,923
(5)	Market Value of Assets on September 30, 2004	295,981,896
(6)	Excess of Market Value over Expected Actuarial Value (5) - (4)	(45,411,027)
(7)	20% Adjustment towards Market Value .20 x (6)	(9,082,205)
(8)	Actuarial Value of Assets on September 30, 2004 (4) + (7)	\$ 332,310,718



SCHEDULE B (Continued)

DEVELOPMENT OF SEPTEMBER 30, 2004 ACTUARIAL VALUE OF ASSETS

LOCAL EMPLOYEES

(1)	Actuarial Value of Assets on September 30, 2003 ¹	\$ 3,468,160,824
(2)	Adjustment made after the valuation date	(3,505,420)
(3)	2003/2004 Net Cash Flow	
	a. Contributions ²	175,595,727
	b. Disbursements	<u>194,243,842</u>
	c. Net Cash Flow	
	(3)a - (3)b	(18,648,115)
(4)	Expected Investment Return [$((1) + (2)) \times .08$] + [(3)c x .04]	276,426,508
(5)	Interest Adjustment due to timing of Employer Lump Sum Contributions	(7,682)
(6)	Expected Actuarial Value of on September 30, 2004 (1) + (2) + (3)c + (4) + (5)	3,722,426,115
(7)	Market Value of Assets on September 30, 2004 ³	3,315,648,400
(8)	Excess of Market Value over Expected Actuarial Value (7) - (6)	(406,777,715)
(9)	20% Adjustment towards Market Value .20 x (8)	(81,355,543)
(10)	Actuarial Value of Assets on September 30, 2004 ³ (6) + (9)	\$ 3,641,070,572

¹ Includes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements of September 30, 2003 that were recognized for valuation purposes as of September 30, 2003.

² Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004. Excludes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were recognized for valuation purposes as of September 30, 2003.

³ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.



SCHEDULE C

SUMMARY OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING SEPTEMBER 30, 2004

Receipts for the Year

Contributions: ¹		
Members	\$ 147,817,502	
Employers	<u>141,713,733</u>	
Total		\$ 289,531,235
Net Investment Income		<u>728,147,660</u>
TOTAL		\$ 1,017,678,895

Disbursements for the Year

Benefit Payments	\$ 448,752,922	
Refunds to Members	26,755,640	
Miscellaneous	<u>12,116,504</u>	
TOTAL		\$ 487,625,066

Excess of Receipts Over Disbursements \$ 530,053,829

Reconciliation of Asset Balances

Market Value of Assets as of September 30, 2003 ²	\$ 7,203,770,473
Adjustment to Market Value After the Valuation Date	298
Excess of Receipts Over Disbursements	530,053,829
Market Value of Assets as of September 30, 2004 ³	<u>\$ 7,733,824,600</u>

¹ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004. Excludes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements as of September 30, 2003. These contributions were recognized for valuation purposes as of September 30, 2003.

² Includes \$31,514 of employer lump sum contributions and \$231,386 of employee lump sum contributions made by local employers after September 30, 2003 that were not recognized in the System's financial statements as of September 30, 2003. These contributions were recognized for valuation purposes as of September 30, 2003.

³ Includes \$200,000 of employer lump sum contributions made by local employers after September 30, 2004 that are not recognized in the System's financial statements as of September 30, 2004. We have recognized these contributions for valuation purposes. Excludes \$20,500,000 of employer lump sum contributions and \$20,500,000 of employee lump sum contributions made by local employers before September 30, 2004 that are included in the System's financial statements as of September 30, 2004.



SCHEDULE D

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the valuation were selected by the prior actuarial firm based on the actuarial experience study prepared as of September 30, 2000, submitted May 23, 2002 and adopted by the Board on June 5, 2002.

INVESTMENT RATE OF RETURN: 8% per annum, compounded annually.

SALARY INCREASES: Representative values of the assumed annual rates of future salary increases are as follows and include inflation at 4.50% per annum:

<u>Age</u>	<u>Annual Rate of Salary Increase</u>
20	7.66%
25	7.75
30	7.61
35	7.25
40	6.98
45	6.60
50	6.32
55	5.84
60	5.49
65	5.05

SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed annual rates of death, disability, withdrawal and retirement are shown in the following tables:

STATE AND LOCAL EMPLOYEES

<u>Age</u>	<u>Annual Rate of</u>					
	<u>Death</u>		<u>Disability</u>		<u>Withdrawal</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
20	.05%	.03%	.05%	.08%	25.80%	31.30%
25	.06	.03	.06	.09	18.50	21.50
30	.08	.03	.08	.12	11.40	14.40
35	.08	.04	.17	.24	8.10	10.10
40	.09	.06	.30	.41	6.30	7.30
45	.14	.09	.54	.65	4.90	6.00
50	.21	.12	.98	.98	3.30	6.00
55	.36	.19	1.50	1.50	3.00	4.50
60	.63	.34	2.37	2.37	3.00	4.50
62	.80	.44	2.84	2.84	3.00	4.50
65	1.15	.67	3.71	3.71		
69	1.80	1.08	4.85	4.85		



For members first eligible for unreduced benefits before age 50 or on or after age 60, rates are as follows:

<u>Age</u>	<u>Annual Rate of Service Retirement</u>	
	<u>Male¹</u>	<u>Female²</u>
45	11.00%	15.00%
50	11.00	15.00
55	45.00	45.00
60	15.00	15.00
62	45.00	35.00
65	60.00	50.00
69	30.00	30.00
70	100.00	100.00

¹Retirement rates are increased by 20% in year when member first becomes eligible for unreduced service retirement.

²Retirement rates are increased by 25% in year when member first becomes eligible for unreduced service retirement.

For members first eligible for unreduced benefits on or after age 50 but before age 60, no withdrawal or retirement is assumed to occur for the five years prior to DROP eligibility and 45% are assumed to retire in the first year eligible for DROP participation. The rates, thereafter, are as follows:

<u>Age</u>	<u>Annual Rate of Service Retirement</u>	
	<u>Male</u>	<u>Female</u>
58	15.0%	25.0%
60	15.0	15.0
62	45.0	35.0
65	60.0	50.0
70	100.0	100.0



STATE POLICEMEN

Annual Rate of

Age	Death		Disability	Withdrawal ¹	Service Retirement "A"	Service Retirement "B"
	Male	Female				
20	.05%	.03%	.04%	1.00%		
25	.06	.03	.05	1.00		
30	.08	.03	.07	1.50		
35	.08	.04	.11	2.00		
40	.09	.06	.17	1.00		
45	.14	.09	.23	0.50		
50	.21	.12	.30		20.00%	
55	.36	.19	.35		10.00	30.00%
60	.63	.34				30.00
62	.80	.44				30.00
65	1.15	.67				100.00
69	1.80	1.08				100.00
70						100.00

¹ Higher rates are assumed during the first three years of employment.

A For those who will become eligible for DROP prior to age 57, these are the rates in effect prior to the DROP eligibility. An additional 20% are assumed to retire in the first year of eligibility for unreduced benefits. 80% are assumed to retire in the first year eligible for DROP participation if less than age 57.

B Rates for those who will not become eligible for DROP prior to age 57. An additional 25% are assumed to retire in the first year of eligibility for unreduced benefits. Also for those who will become eligible for DROP prior to age 57, these are the rates after the first year of DROP eligibility.

DEATH AFTER RETIREMENT: The rates of mortality for the period after service retirement are according to the George B. Buck 1979 Table for males rated forward one year and the George B. Buck 1979 Table for females. Special tables are used for the period after disability retirement.

SPOUSAL BENEFIT: For those eligible for spousal benefits, it is assumed that 75% will elect the lump sum death benefit and 25% will elect the spousal benefit.

PERCENT MARRIED: 100% of employees are assumed to be married, with the wife 3 years younger than the husband.

ACTUARIAL METHOD: Entry age normal cost method. Actuarial gains and losses are reflected in the unfunded actuarial accrued liability.

ASSETS: Actuarial value, as developed in Schedule B. The actuarial value of assets recognizes a portion of the difference between the market value of assets and the expected value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20% of the difference between market value and expected value.



SCHEDULE E

ACTUARIAL COST METHOD

1. The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (currently 8%). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to retired members and beneficiaries to obtain the present value of all expected benefits payable to the present group of members and beneficiaries.
2. The employer contributions required to support the benefits of the System are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution.
3. The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made to determine the uniform and constant percentage rate of employer contribution which, if applied to the compensation of the average new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf.
4. The unfunded accrued liability is determined by subtracting the current assets and the present value of prospective employer normal contributions and member contributions from the present value of expected benefits to be paid from the System. The accrued liability contribution amortizes the balance of the unfunded accrued liability over a period of years from the valuation date.



SCHEDULE F

SUMMARY OF MAIN SYSTEM PROVISIONS AS INTERPRETED FOR VALUATION PURPOSES

The Employees' Retirement System of Alabama was established on October 1, 1945. The valuation took into account amendments to the System effective through September 30, 2003. The following summary describes the main benefit and contribution provisions of the System as interpreted for the valuation.

1 – DEFINITIONS

Average Final Compensation - the average compensation of a member for the 3 highest years in the last 10 years of creditable service.

Membership Service – all service rendered while a member of the Retirement System and for which contributions are made.

Creditable Service – the sum of membership service, prior service, and any other previous service established as creditable in accordance with the provisions of the retirement law.

Annuity – payments for life derived from accumulated contributions of a member.

Pension – payments for life derived from the accumulated contributions of an employer.

Retirement Allowance – the sum of the annuity and pension payments.

2 - BENEFITS

MEMBERS CLASSIFIED OTHER THAN STATE POLICEMEN

Service Retirement Allowance

Condition for Allowance

A retirement allowance is payable upon the request of any member who has completed 25 years of creditable service, (except for employees of local employers who did not elect 25-year retirement), or who has attained age 60 and completed at least 10 years of creditable service.



Amount of Allowance

Upon service retirement a member receives a retirement allowance equal to 2.0125% of the member's average final compensation multiplied by the number of years of his creditable service. At retirement, a member receives one additional year of creditable service in determining the retirement allowance for each five years of service as a full-time certified firefighter, police officer or correctional officer.

Disability Retirement Allowance

Condition for Allowance

A disability retirement allowance may be granted to a member who has 10 or more years of creditable service and becomes permanently incapacitated for duty before reaching eligibility for service retirement.

Amount of Allowance

Upon retirement for disability, a member receives a retirement allowance equal to 2.0125% of the member's average final compensation multiplied by the number of years of his creditable service. At retirement, a member receives one additional year of creditable service in determining the retirement allowance for each five years of service as a full-time certified firefighter, police officer or correctional officer.

Benefits Payable on
Separation from Service

Any member who withdraws from service is entitled to receive a return of member contributions with allowable interest. A member who has completed 10 years of creditable service may, after separation from service, continue in the membership of the System and file for service retirement after reaching age 60.

Benefits Payable upon
Death in Active Service

In the event of the death of a member eligible for service retirement, the designated beneficiary may elect: (1) to exercise option 3 as defined below under "Special Privileges at Retirement – All Employees" or (2) to receive a return of member contributions and total interest earned plus a death benefit payable from the pre-retirement death benefit fund equal to the salary on which the member made retirement contributions for the previous fiscal year (October 1 – September 30).*

In the event of the death of a member with more than one year of service who is not eligible for retirement, the designated beneficiary shall receive a return of member contributions and total interest earned. Also, the designated beneficiary shall receive an additional death benefit payable from the pre-retirement death benefit fund equal to the salary on which their retirement contributions were made for the previous fiscal year (October 1 – September 30).*



In the event of a job-related death of a member at any age with less than 1 year of service, the designated beneficiary shall receive the return of member contributions and total earned interest plus a death benefit payable from the pre-retirement death benefit fund equal to the annual earnable compensation of the member at the time death occurs.*

In the event of a non job-related death of a member with less than 1 year of service, the beneficiary shall receive the return of member contributions and total interest earned plus a matching death benefit which is limited to a maximum of \$5,000.

- * However, if the death occurred more than 180 calendar days after the member's last day in pay status, or if the deceased had applied for a refund of contributions or terminated employment, the lump sum will be the same as if the member had less than one year of service and the death was not job-related.

Deferred Retirement Option Plan (DROP)

A member may elect to participate in the Deferred Retirement Option Plan (DROP) upon completion of at least 25 years of service (at least 30 years for employers that did not elect 25 year retirement) of creditable service (excluding sick leave) and attainment of at least 55 years of age. Under the DROP, the member may defer receipt of a retirement allowance and continue employment for a period not to exceed five years, nor to be less than three years. At the end of this period, the member may withdraw from active service and receive the retirement benefit based on his or her years of service credit at the time of enrollment in the DROP, and also receive a payment for the deferred retirement benefits, employee contributions while participating in the DROP, and interest earned on DROP deposits.

Member Contributions

Regular members contribute 5% of salary. Certified police officers and firefighters contribute 6% of salary. DROP participants continue to contribute during the DROP period, but receive a refund of these contributions and interest upon retirement.



MEMBERS CLASSIFIED AS STATE POLICEMEN

Service Retirement Allowance

Condition for Allowance

A retirement allowance is payable upon the request of any member who has completed 25 years of creditable service or who has attained age 52 and completed at least 10 years of creditable service.

Amount of Allowance

Upon service retirement a member receives a retirement allowance equal to 2.875% of the member's average final compensation multiplied by the number of years of his creditable service.

A member who has attained 20 or more years of creditable service and retires prior to age 60 is eligible to receive a "bonus service credit" up to 4 years as follows:

- Age 56 or older – bonus service of 4 years reduced by 1 month for each month over the age of 56.
- Age 52 to 56 – bonus service of 4 years.
- Age 52 or less (disability retirement only) – bonus service of 4 years.
- Age 52 or less with 25 or more years of service – bonus service of 4 years.

Disability Retirement Allowance

Condition for Allowance

A disability retirement allowance may be granted to a member who has 10 or more years of creditable service or who becomes disabled as a result of his employment in line of duty without regard to his years of creditable service, and who becomes permanently incapacitated, mentally or physically, for the further performance of duty before reaching the minimum age for service retirement.

Amount of Allowance

Upon retirement for disability, a member receives a retirement allowance equal to 2.875% of the member's average final compensation multiplied by the number of years of his creditable service.

Benefits Payable on Separation from Service

Any member who withdraws from service is entitled to receive a return of member contributions with allowable interest. A member who has completed 10 years of creditable service may, after separation from service, continue in the membership of the System and file for service retirement after reaching age 52.



Benefits Payable upon
Death in Active Service

In the event of the death of a member who is eligible for service retirement, the designated beneficiary may elect: (1) to exercise option 3 as defined below under "Special Privileges at Retirement – All Employees" or (2) to receive a return of member contributions and total interest earned plus a death benefit payable from the pre-retirement death benefit fund equal to the salary on which the member made retirement contributions for the previous fiscal year (October 1 – September 30).*

In the event of the death of a member with more than one year of service who is not eligible for retirement, the designated beneficiary shall receive a return of member contributions and total interest earned. Also, the designated beneficiary shall receive an additional death benefit payable from the pre-retirement death benefit fund equal to the salary on which their retirement contributions were made for the previous fiscal year (October 1 – September 30).*

In the event of a job-related death of a member at any age with less than 1 year of service, the designated beneficiary shall receive the return of member contributions and total earned interest plus a death benefit payable from the pre-retirement death benefit fund equal to the annual earnable compensation of the member at the time death occurs.*

In the event of a non job-related death of a member with less than 1 year of service, the beneficiary shall receive the return of member contributions and total interest earned plus a matching death benefit which is limited to a maximum of \$5,000.

- * However, if the death occurred more than 180 calendar days after the member's last day in pay status, or if the deceased had applied for a refund of contributions or terminated employment, the lump sum will be the same as if the member had less than one year of service and the death was not job-related.



Deferred Retirement Option Plan (DROP)

A member may elect to participate in the Deferred Retirement Option Plan (DROP) upon completion of at least 25 years of creditable service (excluding sick leave) and attainment of at least 52 years of age. Under the DROP, the member may defer receipt of a retirement allowance and continue employment for a period not to exceed five years, nor to be less than three years. At the end of this period, the member may withdraw from active service and receive the retirement benefit based on his or her years of service credit at the time of enrollment in the DROP, and also receive a payment for the deferred retirement benefits, employee contributions while participating in the DROP, and interest earned on DROP deposits.

Member Contributions

Each member contributes 10% of salary. DROP participants continue to contribute during the DROP period, but receive a refund of these contributions with interest upon retirement.



3 - SPECIAL PRIVILEGES AT RETIREMENT – ALL MEMBERS

In lieu of the full retirement allowance, any member may, at retirement, elect to receive a reduced retirement allowance equal in value to the full allowance, with the provision that:

Option 1. If the member dies before the annuity payments equal or exceed the present value of the member's annuity at the date of retirement, the balance is paid to a designated beneficiary or to the estate, or

Option 2. After the member's death, the member's allowance is continued throughout the life of the designated beneficiary, or

Option 3. After the member's death, one half of the member's allowance is continued throughout the life of the designated beneficiary, or

Option 4. Some other benefit is paid either to the member or to the designated beneficiary provided such benefit, together with the reduced retirement allowance, is of equivalent actuarial value to his retirement allowance and is approved by the Board of Control.



SCHEDULE G

Schedule of Active Participant Data
as of September 30, 2004
State Employees

Attained Age	Years of credited service:											
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	577	20,179	646	21,594	18	21,589	0	0	0	0	0	0
25 to 29	605	22,074	1,791	26,799	392	26,650	11	28,402	0	0	0	0
30 to 34	433	22,473	1,415	28,064	1,013	31,938	409	34,328	15	34,589	0	0
35 to 39	321	23,872	994	27,714	851	33,034	1,200	38,558	495	37,505	12	36,325
40 to 44	276	22,411	923	27,119	665	32,906	1,216	37,649	1,274	42,903	518	38,824
45 to 49	234	25,647	900	26,880	652	32,065	938	36,298	1,066	42,081	1,252	44,710
50 to 54	162	28,408	659	26,357	543	32,632	837	35,817	820	40,607	968	45,021
55 to 59	104	25,959	436	28,303	369	32,743	679	36,054	619	40,452	552	43,812
60 to 64	36	29,035	223	25,824	165	33,326	290	37,691	263	37,812	187	44,723
65 to 69	15	43,052	59	24,202	62	33,723	78	41,242	79	40,777	48	52,194
70 & up	4	55,084	32	29,518	22	22,382	22	29,878	21	36,367	14	54,136
Total	2,767	23,055	8,078	26,773	4,752	31,981	5,680	36,922	4,652	41,029	3,551	43,907

Attained Age	25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
	Under 25	0	0	0	0	0	0	0	0	1,241
25 to 29	0	0	0	0	0	0	0	0	2,799	25,763
30 to 34	0	0	0	0	0	0	0	0	3,285	29,332
35 to 39	0	0	0	0	0	0	0	0	3,873	33,202
40 to 44	24	38,151	0	0	0	0	0	0	4,896	35,654
45 to 49	526	42,271	26	38,410	0	0	0	0	5,594	37,400
50 to 54	894	47,802	386	48,525	7	42,686	0	0	5,276	39,483
55 to 59	208	45,117	98	49,266	20	52,788	1	33,764	3,086	37,631
60 to 64	61	37,166	37	47,298	11	63,087	9	55,526	1,282	36,468
65 to 69	13	48,811	3	50,102	5	41,449	8	79,277	370	39,823
70 & up	7	32,461	1	25,478	3	34,493	2	75,573	128	33,934
Total	1,733	45,239	551	48,064	46	51,288	20	65,943	31,830	34,469

In addition, there are 1,127 employees with annual compensation of \$58,464,002 participating in the DROP as of September 30, 2004.



SCHEDULE G (cont.)

Schedule of Active Participant Data
as of September 30, 2004
State Police

Attained Age	Years of credited service:											
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	1	19,301	11	34,128	0	0	0	0	0	0	0	0
25 to 29	2	35,085	24	33,037	34	39,940	0	0	0	0	0	0
30 to 34	2	43,584	29	33,796	67	41,137	27	45,863	0	0	0	0
35 to 39	1	48,445	20	36,014	42	40,396	64	47,070	34	55,922	2	56,450
40 to 44	0	0	2	32,963	17	41,872	35	48,716	89	55,140	40	65,732
45 to 49	1	38,753	1	31,790	4	50,488	15	48,578	37	53,428	27	61,935
50 to 54	1	43,841	2	60,063	1	55,000	5	46,992	14	63,535	17	55,130
55 to 59	0	0	1	52,728	4	75,308	3	48,826	3	51,639	3	47,420
60 to 64	0	0	0	0	1	67,820	1	43,313	2	46,458	2	54,597
65 to 69	0	0	0	0	1	62,752	0	0	1	63,702	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0
Total	8	38,460	90	34,880	171	42,172	150	47,395	180	55,481	91	61,572

Attained Age	25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
	Under 25	0	0	0	0	0	0	0	0	12
25 to 29	0	0	0	0	0	0	0	0	60	37,017
30 to 34	0	0	0	0	0	0	0	0	125	40,494
35 to 39	0	0	0	0	0	0	0	0	163	45,964
40 to 44	0	0	0	0	0	0	0	0	183	54,752
45 to 49	9	68,014	1	79,669	0	0	0	0	95	56,232
50 to 54	13	63,229	3	69,669	0	0	0	0	56	59,136
55 to 59	3	62,216	0	0	0	0	0	0	17	57,898
60 to 64	0	0	0	0	0	0	0	0	6	52,207
65 to 69	0	0	0	0	0	0	0	0	2	63,227
70 & up	0	0	0	0	0	0	0	0	0	0
Total	25	64,830	4	72,169	0	0	0	0	719	49,050

In addition, there are 33 employees with annual compensation of \$3,718,491 participating in the DROP as of September 30, 2004.



SCHEDULE G (cont.)

Schedule of Active Participant Data
as of September 30, 2004
Local Employees

Attained Age	Years of credited service:											
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	1307	17,056	1418	21,856	86	26,423	0	0	0	0	0	0
25 to 29	1048	19,653	2,567	25,501	1063	29,662	27	33,671	0	0	0	0
30 to 34	883	20,486	2,383	26,495	2,235	32,494	791	36,622	40	36,070	0	0
35 to 39	662	20,787	1894	26,167	1807	32,465	1,424	37,022	703	40,088	30	44,230
40 to 44	607	20,415	1867	25,829	1596	31,689	1,208	36,564	1,234	41,220	676	41,709
45 to 49	484	20,462	1601	25,604	1339	29,566	1109	35,233	1,095	40,119	973	41,737
50 to 54	377	21,306	1242	26,343	1147	30,041	989	35,131	807	38,452	735	40,248
55 to 59	279	19,460	903	24,782	843	29,145	745	34,215	666	36,363	475	38,454
60 to 64	117	16,352	451	24,670	472	27,393	393	32,077	336	35,479	246	37,369
65 to 69	54	16,115	177	20,776	169	25,646	180	30,397	108	33,769	60	35,455
70 & up	23	13,577	120	19,199	75	20,947	45	27,768	54	30,519	29	31,677
Total	5,841	19,447	14,623	25,342	10,832	30,753	6,911	35,509	5,043	39,041	3,224	40,390

Attained Age	25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
	Under 25	0	0	0	0	0	0	0	0	2,811
25 to 29	0	0	0	0	0	0	0	0	4,705	25,186
30 to 34	0	0	0	0	0	0	0	0	6,332	29,100
35 to 39	0	0	0	0	0	0	0	0	6,520	31,321
40 to 44	53	46,911	0	0	0	0	0	0	7,241	32,717
45 to 49	516	45,469	27	41,730	0	0	0	0	7,144	33,411
50 to 54	601	47,106	213	51,200	10	53,620	0	0	6,121	34,360
55 to 59	262	42,484	162	51,641	50	57,447	1	35,327	4,386	32,548
60 to 64	127	38,359	55	46,083	36	51,120	10	53,949	2,243	30,974
65 to 69	36	37,710	15	35,818	7	45,976	9	69,670	815	28,186
70 & up	15	45,751	3	26,257	10	37,938	8	37,943	382	24,742
Total	1,610	44,910	475	49,577	113	52,656	28	53,764	48,700	30,661

In addition, there are 280 employees with annual compensation of \$14,593,390 participating in the DROP as of September 30, 2004.

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Arab Housing Authority	ABA	4912	4.03%	-0.07%	4.29%
City of Abbeville	ABB	2304	4.81%	1.09%	6.23%
Auburn	ABN	2218	3.83%	2.81%	6.97%
Abbeville Water	ABW	2303	4.32%	4.02%	8.67%
Association of County Commissions	ACC	4539	4.28%	4.54%	9.15%
Autauga Co Emergency Mgmt District	ACE	4732	3.31%	-2.21%	1.43%
Ann.-Cal. Co. Ft. McClellan Dev. Joint Powers Auth	ACF	4873	5.46%	-0.11%	5.68%
Alexander City Housing Authority	ACH	4937	6.81%	4.37%	11.51%
Autauga Co. Water Authority	ACW	4836	5.14%	-1.58%	3.89%
Adamsville	ADA	2450	3.98%	2.28%	6.59%
Addison	ADD	2436	3.52%	2.04%	5.89%
Auburn Housing Authority	AHA	4445	4.50%	-4.50%	0.33%
Albertville	ALB	2353	4.08%	2.73%	7.14%
Aliceville	ALC	2283	5.00%	-3.50%	1.83%
Athens-Limestone Emer Dis	ALE	4746	5.45%	2.77%	8.55%
Aliceville Housing Authority	ALI	4451	4.62%	2.34%	7.29%
Alabama League of Municipalities	ALM	4538	4.86%	1.82%	7.01%
Athens-Limestone Pub. Lib. Auth.	ALP	4902	4.15%	-0.62%	3.86%
Altoona	ALT	2440	4.45%	-0.27%	4.51%
Alexander City	ALX	2468	4.63%	3.66%	8.62%
Alabama Mun Elec Auth	AME	4696	4.72%	-0.98%	4.07%
AL Music Hall of Fame	AMH	4708	5.49%	-2.53%	3.29%
Albertville Mun Utilities Bd	AMU	4626	3.37%	4.62%	8.32%
Andalusia Housing Authority	ANA	4636	6.86%	-2.17%	5.02%
Andalusia	AND	2224	4.59%	1.68%	6.60%
Anniston Housing Authority	ANH	4866	4.85%	2.76%	7.94%
Anniston	ANN	2281	4.10%	1.63%	6.06%
Andalusia Utilities Board	ANU	4922	3.98%	2.38%	6.69%
Alabama Sports Hall of Fame Board	AOF	4890	6.73%	-0.17%	6.89%
Autauga/Prattville Public Library	APL	4545	5.30%	0.28%	5.91%
AL Rural Wtr. Assn.	ARA	4905	3.67%	15.65%	19.65%
Arab	ARB	2346	3.96%	2.34%	6.63%
Argo	ARG	2509	4.56%	3.64%	8.53%
Arley	ARL	2462	5.19%	0.79%	6.31%
Arab Sewer Board	ARS	4844	2.79%	2.65%	5.77%
Arab Water Works	ARW	2298	3.02%	5.50%	8.85%
Ashville	ASH	2375	5.08%	-0.54%	4.87%
Alabama Space & Rocket Center	ASR	4479	4.83%	-1.22%	3.94%
Atmore Housing Authority	ATA	4931	10.09%	-1.29%	9.13%
Atmore Utilities Bd	ATB	4806	3.63%	-3.63%	0.33%
Attalla Housing Authority	ATH	4935	5.96%	1.17%	7.46%
Atmore	ATM	2265	4.10%	1.88%	6.31%
Attalla	ATT	2341	4.11%	7.38%	11.82%
Attalla Water Works	ATW	2340	3.05%	-2.38%	1.00%
Autauga County	AUT	1161	4.70%	0.71%	5.74%
Alabaster Water Gas Board	AWG	2291	5.04%	2.37%	7.74%
Anniston Water Works & Sewer	AWS	4637	3.07%	-3.07%	0.33%
Auburn Water Works	AWW	2220	4.28%	0.65%	5.26%
Baldwin County	BAL	1103	4.40%	1.44%	6.17%
Barbour County	BAR	1151	4.94%	-0.09%	5.18%
Comer Memorial Library	BBC	4582	5.23%	-3.27%	2.29%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Bayou La Batre Water Works	BBW	4548	3.64%	2.74%	6.71%
Blount Co Comm Dst	BCC	4766	4.12%	1.39%	5.84%
Bear Creek Development Authority	BCD	4482	4.29%	6.17%	10.79%
Baldwin Cnty Emerg Commun Dist	BCE	4672	4.00%	0.54%	4.87%
Baldwin Co Mental Health Center	BCM	4729	5.10%	1.80%	7.23%
Baldwin Co. Sheriffs Office Personnel System	BCP	4924	4.07%	2.25%	6.65%
Mental Retardation/Developmental Disabilities BD	BCR	4808	5.08%	-2.00%	3.41%
Baldwin Co. Soil & Water Cons.	BCW	4649	6.15%	9.87%	16.35%
Brundidge	BDG	2251	4.69%	2.93%	7.95%
Beauregard Water & Fire Prot. Auth	BEA	4668	4.74%	1.21%	6.28%
Butler Co Umer Comm Dst	BEC	4817	3.76%	0.00%	4.09%
Buhl-Elrod-Holman Water Auth	BEH	4625	2.68%	-0.61%	2.40%
Bear Creek	BER	2429	4.94%	1.48%	6.75%
Berry	BEY	2458	3.85%	1.61%	5.79%
Bibb County	BIB	1119	4.46%	0.42%	5.21%
Bibb County Emergency Comm.	BIC	4856	4.38%	-0.31%	4.40%
Billingsley, Town of	BIL	2500	4.66%	0.60%	5.59%
Birmingham Regional Planning Comm	BIR	4508	5.22%	1.39%	6.94%
Town of Brilliant	BIT	2492	4.12%	3.21%	7.66%
Brookwood, Town of	BKW	2480	3.96%	5.09%	9.38%
Bayou La Batre	BLB	2227	4.22%	-0.21%	4.34%
Blountsville	BLO	2425	4.75%	0.61%	5.69%
Blount County	BLT	1126	4.69%	0.51%	5.53%
Blountsville Utility	BLU	4704	3.90%	-1.91%	2.32%
Bay Minette Housing Auth	BMA	4769	4.81%	0.19%	5.33%
Bay Minette Utilities Board	BMU	4889	3.48%	2.68%	6.49%
Brent	BNT	2313	4.40%	-0.40%	4.33%
Boaz	BOZ	2351	4.08%	0.41%	4.82%
Branchville, Town of	BRA	2501	5.12%	-0.56%	4.89%
Birmingham Racing Comm	BRC	4780	5.30%	0.09%	5.72%
Brewton	BRE	2305	4.29%	1.32%	5.94%
City of Bridgeport	BRI	2470	5.04%	1.69%	7.06%
Butler County	BTR	1141	4.59%	2.02%	6.94%
Bridgeport Utilities Bd	BUB	4692	3.78%	6.41%	10.52%
Bullock County	BUL	1105	4.74%	3.87%	8.94%
Butler	BUT	2258	4.25%	3.06%	7.64%
Blount Co. Water Authority	BWA	4896	4.28%	1.46%	6.07%
Boldo Water & Fire Protection	BWF	4709	4.22%	4.32%	8.87%
Bakerhill Water Authority	BWP	4735	4.59%	3.12%	8.04%
Boaz Wtr & Wr Comm	BWS	4786	4.41%	7.45%	12.19%
Bay Minette	BYM	2247	4.18%	2.46%	6.97%
Central AL Aging Consortium	CAA	4807	5.11%	2.53%	7.97%
Alabaster	CAB	2290	3.98%	2.41%	6.72%
Coaling, Town of	CAG	2513	7.05%	0.31%	7.69%
Chilton/Clanton Public Library	CAH	4521	5.40%	-2.65%	3.08%
Camden	CAM	2441	3.61%	3.00%	6.94%
Calhoun Co. Community Pun. & Corr Auth	CAO	4879	5.05%	1.45%	6.83%
Central Al. Reg Plan & Dev. Com.	CAP	4658	4.23%	-4.23%	0.33%
Carbon Hill	CAR	2402	5.34%	3.97%	9.64%
Bessemer	CBM	2276	4.20%	5.31%	9.84%
City of Columbiana	CBN	2497	3.90%	3.89%	8.12%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Covington County	CBR	1113	4.97%	1.83%	7.13%
Colbert County	CBT	1127	4.53%	1.33%	6.19%
Childersburg Water/Sewer/Gas	CBW	2306	3.77%	7.43%	11.53%
Clay Co. Water Authority	CCA	4661	4.92%	7.60%	12.85%
Chambers County	CCC	1139	4.80%	-0.03%	5.10%
Helen Keller Memorial Hospital	CCH	4447	4.85%	0.23%	5.41%
Chambers Co Library	CCL	4788	4.74%	7.62%	12.69%
Cahaba Ctr for Mental Health & MR	CCM	4742	5.22%	0.06%	5.61%
Calhoun County 911 District	CCN	4679	3.88%	-1.59%	2.62%
Cullman Co E-911	CCO	4760	5.23%	8.47%	14.03%
Cullman County Parks and Recreation	CCR	4843	6.31%	0.61%	7.25%
Chilton Co. Soil & Water Dist.	CCS	4648	6.55%	6.41%	13.29%
Colbert Co. Tourism and Convention Bureau	CCT	4923	6.63%	-2.12%	4.84%
Carroll's Creek Water Authority	CCW	4677	4.19%	-1.44%	3.08%
Calhoun Co. Economic Development Council	CDC	4920	4.72%	5.30%	10.35%
North Central Ala Mental Retardation Authority, Inc.	CDD	4523	4.96%	-4.96%	0.33%
Decatur Utilities	CDU	4911	3.10%	12.59%	16.02%
Crems Etowah Co. Water Authority	CEC	4930	3.96%	5.19%	9.48%
Cedar Bluff	CED	2433	4.71%	3.02%	8.06%
Carl Elliot Regional Library	CEL	4526	5.28%	8.08%	13.69%
Chambers Co. Emerg. Mgmt. Comm. Dst. Centre	CEM	4861	3.62%	3.53%	7.48%
Centre	CEN	2319	4.54%	-4.54%	0.33%
Central Elmore Water Authority	CEW	4680	3.70%	-3.70%	0.33%
Concord Fire District	CFD	4693	2.90%	4.78%	8.01%
Fort Payne	CFP	2314	3.77%	2.77%	6.87%
Coffeeville	CFV	2506	3.88%	5.20%	9.41%
Clanton, Water Gas & Sewer Bd	CGS	4765	3.66%	4.41%	8.40%
Chatom	CHA	2229	4.18%	-1.83%	2.68%
Childersburg	CHB	2326	4.91%	-2.23%	3.01%
Choctaw Co. Emergency Comm. District	CHD	4893	4.86%	1.41%	6.60%
Huntsville Electric	CHE	2205	2.35%	8.74%	11.42%
Huntsville Gas System	CHG	4689	3.05%	4.50%	7.88%
Chickasaw	CHI	2216	4.61%	3.86%	8.80%
Cherokee County	CHK	1162	4.13%	7.20%	11.66%
Cheaha Regional Library	CHL	4520	6.40%	23.29%	30.02%
Calhoun County	CHN	1128	4.65%	4.27%	9.25%
Clayton Housing Authority	CHO	4745	2.82%	6.04%	9.19%
Cherokee County Water Authority	CHR	4601	4.62%	4.50%	9.45%
Huntsville Water System	CHW	4690	2.60%	4.34%	7.27%
Carbon Hill Utilities Board	CIA	4646	4.71%	8.05%	13.09%
Chilton County	CIN	1156	4.33%	-0.27%	4.39%
Cullman/Jefferson County Gas Dist	CJG	4535	3.40%	5.65%	9.38%
Clarke Co. Soil/Water Cons. District	CKC	4892	5.23%	1.45%	7.01%
Coker Water & Fire Prot. Auth	CKR	4620	5.78%	-2.38%	3.73%
Columbia	CLB	2408	4.82%	-2.27%	2.88%
Cleburne County	CLE	1153	4.22%	-0.39%	4.16%
Clark County	CLK	1142	4.51%	0.33%	5.17%
Cullman County	CLM	1136	4.37%	1.44%	6.14%
Clanton	CLN	2280	4.43%	1.27%	6.03%
Calera	CLR	2446	4.16%	2.82%	7.31%
Cleveland	CLV	2392	3.86%	3.84%	8.03%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Clayton Water Works	CLW	2327	5.73%	4.24%	10.30%
Clay County	CLY	1157	4.70%	3.91%	8.94%
Clarke/Mobile County Gas District	CMG	4525	4.04%	0.06%	4.43%
Calhoun-Cleburne Mtl Hlth	CMH	4775	4.58%	6.95%	11.86%
Cumberland Mountain Wtr & Fire Authority	CMW	4824	3.54%	0.53%	4.40%
South Alabama Gas District	CNM	4939	4.64%	-2.13%	2.84%
Athens	COA	2210	4.01%	5.15%	9.49%
Centerville	COC	2296	3.83%	0.13%	4.29%
Colbert Co. Emergency Management Comm.	COD	4842	4.31%	-0.04%	4.60%
Evergreen	COE	2236	4.43%	-0.38%	4.38%
Coffee County	COF	1118	4.11%	-4.11%	0.33%
Gadsden	COG	2242	4.39%	16.77%	21.49%
Huntsville	COH	2202	4.12%	4.13%	8.58%
Jackson	COJ	2269	4.42%	-4.42%	0.33%
Luverne	COL	2209	3.93%	0.72%	4.98%
Mobile	COM	2223	4.54%	1.01%	5.88%
Conecuh County	CON	1117	4.63%	0.62%	5.58%
Coosa County	COO	1121	4.89%	0.59%	5.81%
City of Cordova	COR	2464	4.72%	1.22%	6.27%
Coosada	COS	2398	4.75%	1.09%	6.17%
Tuskegee	COT	2208	4.37%	-4.37%	0.33%
Courtland	COU	2387	4.51%	9.38%	14.22%
Cowarts	COW	2447	4.27%	5.81%	10.41%
Chilton Water Authority	CPA	4609	3.53%	2.40%	6.26%
Cullman Power Board	CPB	2302	3.95%	7.81%	12.09%
Phenix City	CPC	2230	4.21%	2.94%	7.48%
Center Point Fire District	CPF	4632	2.91%	7.50%	10.74%
Camp Hill	CPH	2211	5.55%	-5.55%	0.33%
Rainbow City	CRC	2288	4.04%	2.26%	6.63%
Crenshaw Co. Emergency Management Comm.	CRD	4839	6.07%	0.55%	6.95%
Crenshaw County	CRE	1104	4.54%	2.33%	7.20%
Town of Cherokee	CRK	2465	4.94%	-0.28%	4.99%
Cheaha Rg Mtl Hlth	CRM	4781	4.78%	8.06%	13.17%
Town of Carrollton	CRO	2469	3.46%	8.14%	11.93%
Cherokee Wtrwks&gas Bd	CRW	4813	5.07%	4.37%	9.77%
Cook Springs Wtr Auth	CSA	4820	4.57%	0.41%	5.31%
Chilton/Shelby Mental Health Center	CSC	4501	5.20%	-1.40%	4.13%
Cross Trails Regional Library	CTL	4483	5.50%	2.71%	8.54%
Center Point	CTP	2508	5.25%	9.54%	15.12%
Tuscaloosa	CTS	2201	4.29%	0.69%	5.31%
Cottonwood	CTW	2257	4.65%	-2.32%	2.66%
Cullman Area Men Hlth Auth	CUA	4812	5.17%	-0.81%	4.69%
Cuba	CUB	2391	3.92%	-3.92%	0.33%
Cullman Co Ctr for Dev Disabled	CUC	4734	3.53%	4.45%	8.31%
Cullman	CUL	2213	3.94%	3.30%	7.57%
Cahaba Valley Fire & Emer. Med Res Dst.	CVF	4825	3.95%	2.82%	7.10%
Covington Co. E-911 Board, INC.	CVT	4916	3.83%	1.44%	5.60%
Coosa Valley Youth Services	CVY	4872	3.73%	7.80%	11.86%
Curry Water Auth	CWA	4684	3.48%	2.91%	6.72%
Columbiana Water Works Board	CWB	4868	3.79%	6.93%	11.05%
Conecuh Co. Soil & Wtr. Cons. Dst.	CWD	4906	4.14%	-0.09%	4.38%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Calhoun Co. Water & Fire Pr.A.	CWF	4600	3.74%	0.89%	4.96%
Cordova Water & Gas	CWG	4593	4.21%	3.96%	8.50%
CWM Water Authority	CWM	4876	3.25%	1.95%	5.53%
Centre Water Works	CWS	4552	4.35%	1.78%	6.46%
Collinsville Water Works Board	CWW	4681	4.91%	-0.31%	4.93%
Clay County E-91	CYC	4864	3.46%	-0.82%	2.97%
Clayton	CYN	2334	4.78%	-0.71%	4.40%
Dadeville	DAD	2388	4.87%	-1.27%	3.93%
Daleville Housing Authority	DAH	4743	4.76%	2.63%	7.72%
Dallas County	DAL	1130	4.40%	0.70%	5.43%
Daphne	DAP	2263	4.50%	1.34%	6.17%
Dauphin Island	DAU	2437	4.49%	1.66%	6.48%
DeKalb Co Hosp Assoc	DCA	4752	4.15%	0.19%	4.67%
Dale County	DCC	1135	4.69%	1.00%	6.02%
DeKalb County Emerg. Comm. District	DCD	4837	3.10%	1.00%	4.43%
DeKalb Co Econ Dev Auth	DCE	4801	5.36%	5.37%	11.06%
DeKalb/Cherokee County Gas District	DCG	4574	3.93%	3.35%	7.61%
DeKalb Mental Retardation Board	DCM	4614	3.98%	-3.98%	0.33%
DeKalb Co. Soil/Water Cons. District	DCS	4886	3.07%	8.18%	11.58%
Dale County Water Authority	DCW	4848	3.34%	4.77%	8.44%
Decatur	DEC	2254	4.07%	3.87%	8.27%
Dekalb County	DEK	1159	4.39%	3.47%	8.19%
Demopolis	DEM	2414	3.48%	6.12%	9.93%
Dora Gas Board	DGB	4676	4.43%	2.32%	7.08%
Dadeville Housing Authority	DHA	4573	4.15%	-0.24%	4.24%
Dothan - Houston County Mental Ret	DHC	4733	5.14%	-0.23%	5.24%
Dauphin Island Park and Beach Board	DIP	4874	5.20%	-0.06%	5.47%
Dauphin Island Wtr & Swr Auth	DIW	4793	4.64%	6.67%	11.64%
Daleville	DLV	2246	5.20%	-5.20%	0.33%
Douglas	DOG	2419	4.04%	-2.50%	1.87%
Dora	DOR	2410	4.18%	-1.37%	3.14%
Double Springs	DOU	2420	3.88%	2.59%	6.80%
Daphne Utility Bd	DPU	4744	4.39%	0.43%	5.15%
Double Springs Water Works Bd	DSW	4688	3.12%	0.61%	4.06%
Town of Dutton	DTN	2477	1.00%	22.86%	24.19%
Douglas Water & Fire Prot Auth.	DWF	4651	4.25%	6.32%	10.90%
Dadeville Water Supply & Water	DWS	4612	4.84%	7.11%	12.28%
E Al Men Hlth-Men Retard Bd	EAM	4774	4.65%	3.27%	8.25%
East Al Regional Plan & Dev Comm	EAR	4512	4.89%	0.21%	5.43%
East Alabama Water/Sewer/Fire Dist	EAW	4507	3.36%	-2.17%	1.52%
East Brewton	EBR	2444	3.39%	7.50%	11.22%
Elberta	EBT	2504	5.07%	4.07%	9.47%
East Brewton Water & Sewer Bd	EBW	4712	3.73%	0.76%	4.82%
Etoway Co Comm Dst	ECC	4770	4.16%	1.80%	6.29%
Elmore Co. Emerg. Comms. Dst.	ECE	4909	5.92%	1.46%	7.71%
East Central Alabama Gas	ECG	4560	3.53%	12.05%	15.91%
Eclectic	ECL	2395	5.13%	-2.17%	3.29%
Escambia Lib Sys	ECS	4811	3.79%	5.25%	9.37%
Elba Gen Hosp & Nur Home	EGH	4750	5.04%	-0.37%	5.00%
Evergreen Housing Authority	EHA	4588	4.20%	-0.93%	3.60%
Elba	ELB	2348	4.70%	-1.43%	3.60%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
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Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
E Lauderdale Co Wtr & Fire	ELC	4810	5.44%	6.42%	12.19%
Elk River Development Agency	ELK	4554	6.12%	-6.12%	0.33%
Elmore County	ELM	1116	4.38%	-2.25%	2.46%
Enterprise Housing Authority	ENH	4860	4.93%	5.32%	10.58%
Escambia County	ESC	1155	4.55%	-2.30%	2.58%
Etowah Co. Comm. Punishment and Corr.	ETC	4885	5.27%	2.19%	7.79%
Etowah County	ETH	1112	4.43%	-2.06%	2.70%
Enterprise	ETP	2243	4.30%	0.69%	5.32%
Eufaula	EUF	2292	4.23%	-1.92%	2.64%
Eutaw	EUT	2234	4.51%	-4.51%	0.33%
Eufaula Water/Sewer Board	EUW	2293	4.57%	-0.19%	4.71%
Elmore Water Authority	EWA	4832	4.15%	3.34%	7.82%
Elba Water & Electric	EWE	2349	4.59%	-0.60%	4.32%
Eclectic Water Works & Sewer Board	EWS	4834	4.51%	-2.44%	2.40%
Enterprise Wtr Wks	EWV	4768	4.16%	1.11%	5.60%
Excel	EXC	2463	3.56%	5.89%	9.78%
Auburn Extension	EXT	4511	4.02%	44.87%	49.22%
Fayette	FAE	2422	4.26%	1.52%	6.11%
Falkville	FAL	2442	4.65%	-2.08%	2.90%
Fairhope	FAR	2328	4.09%	2.55%	6.97%
Fayette County	FAY	1144	4.68%	-1.23%	3.78%
Fayette Co E-911 Dst	FCE	4814	3.00%	-0.81%	2.52%
Franklin Co. Soil and Water Conservatiion Dst.	FCS	4865	3.65%	3.11%	7.09%
Franklin County Water Service Authority	FCW	4840	5.34%	-0.68%	4.99%
Fort Deposit	FDP	2412	5.26%	6.16%	11.75%
Ft Deposit Water Works & Sewer	FDW	4670	6.00%	1.77%	8.10%
Fayette Gas Board	FGB	4700	4.19%	6.85%	11.37%
Fairfield	FLD	2255	4.78%	-1.21%	3.90%
Town of Flomaton	FLM	2451	4.71%	6.57%	11.61%
Florence/Lauderdale Tourism Board	FLT	4887	2.94%	7.43%	10.70%
Florence Housing Authority	FNH	4908	6.28%	1.13%	7.74%
Foley	FOL	2221	4.32%	0.66%	5.31%
Fort Payne Housing Authority	FPH	4544	4.52%	3.13%	7.98%
Fort Payne Improvement Authority	FPI	4585	4.28%	2.78%	7.39%
Fairhope Library	FPL	4558	5.72%	-1.11%	4.94%
Fort Payne Water/Sewer	FPW	2312	3.95%	3.87%	8.15%
Franklin County	FRA	1150	4.45%	0.63%	5.41%
Tuscaloosa Public Library	FRL	4485	4.91%	1.73%	6.97%
Fosters-Ralph Wtr Auth	FRW	4815	5.41%	5.93%	11.67%
Foley Utilities Board	FUB	4854	2.89%	15.90%	19.12%
Fultondale	FUL	2287	4.30%	4.65%	9.28%
Fayetteville Water Authority	FWA	4833	5.37%	0.01%	5.71%
Fayette Co. Water Cd. & Fire Prev. Auth.	FWC	4859	3.75%	2.25%	6.33%
Fayette Water Works Board	FWW	4701	3.13%	3.95%	7.41%
Town of Fyffe	FYF	2498	4.59%	3.27%	8.19%
Fayette Housing Authority	FYH	4904	5.99%	2.08%	8.40%
Gardendale	GAR	2299	3.94%	3.44%	7.71%
Greene County Ambulance	GCA	4575	3.58%	0.23%	4.14%
Geneva Co. E-911 Bd., Inc.	GCB	4910	5.21%	1.45%	6.99%
Greene County	GCC	1143	4.94%	-0.73%	4.54%
Greene County E-911 Commuications District	GCD	4933	4.72%	1.34%	6.39%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
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Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Greene Co Econ & Ind	GCE	4764	5.89%	-2.40%	3.82%
Greene County Hospital	GCH	4465	4.75%	-4.75%	0.33%
Garden City, Town of	GDN	2481	3.23%	18.77%	22.33%
Guntersville Electric	GEB	2360	2.64%	8.76%	11.73%
Greater Etowah Mental Retardation 310 Board	GEM	4849	4.55%	2.51%	7.39%
Geneva County	GEN	1114	5.24%	-2.71%	2.86%
Georgiana, Town of	GEO	2514	4.80%	16.50%	21.63%
Geneva	GEV	2426	4.37%	4.03%	8.73%
Greensboro Housing Authority	GHA	4629	4.18%	4.77%	9.28%
Guin Housing Authority	GIH	4891	3.10%	10.96%	14.39%
Gilberttown	GIL	2435	5.32%	-2.46%	3.19%
Guin Water Works	GIW	2320	3.14%	5.26%	8.73%
Glencoe	GLE	2274	3.51%	-2.26%	1.58%
Mobile-Wash Co Mental H Bd	GMW	4719	4.99%	-0.33%	4.99%
Grant	GNT	2345	5.45%	-2.99%	2.79%
Gordo	GOR	2275	3.59%	5.78%	9.70%
Goodwater	GOW	2431	4.46%	13.28%	18.07%
Graysville	GRA	2214	3.93%	2.92%	7.18%
Greensboro	GRB	2215	4.73%	-1.25%	3.81%
Greene County Racing Commission	GRC	4531	5.22%	-5.22%	0.33%
Greenville	GRE	2393	3.98%	1.77%	6.08%
Graysville Public Library	GRL	4553	4.96%	1.11%	6.40%
Grove Hill	GRO	2371	3.98%	-1.88%	2.43%
Geneva Water Works & Sewer Bd	GSB	4705	3.06%	21.19%	24.58%
Houston/Love Memorial Library	GSH	4481	3.84%	-3.84%	0.33%
Gilberttown Utilities Bd	GUB	4716	3.73%	2.66%	6.72%
Guin	GUI	2376	3.64%	5.54%	9.51%
Guntersville	GUN	2366	4.05%	2.18%	6.56%
Gurley	GUR	2448	5.53%	1.57%	7.43%
Guntersville Water/Sewer Bd	GUW	2315	3.86%	-1.64%	2.55%
Georgiana Water Works and Sewer Board	GWB	4934	5.06%	29.29%	34.68%
Greenhill Water and Fire Protection Authority	GWF	4869	4.32%	6.19%	10.84%
Greenville Water Works & Sewer	GWS	4630	3.98%	3.97%	8.28%
Gadsden Water/Sewer Board	GWW	2239	3.83%	7.69%	11.85%
Huntsville/Madison Airport Auth	HAA	4529	4.23%	2.22%	6.78%
Brantley Housing Authority	HAB	4530	3.92%	3.51%	7.76%
Clanton Housing Authority	HAC	4559	5.41%	6.30%	12.04%
Demopolis Housing Authority	HAD	4557	4.03%	5.48%	9.84%
Eufaula Housing Authority	HAE	4534	4.81%	-3.81%	1.33%
Hartford	HAF	2432	4.49%	3.38%	8.20%
Greene County Housing Authority	HAG	4524	4.38%	-4.38%	0.33%
Hamilton Housing Authority	HAH	4895	3.19%	6.88%	10.40%
Town of Hackleburg	HAK	2491	5.68%	15.18%	21.19%
Hale County	HAL	1149	4.17%	0.38%	4.88%
Hamilton	HAM	2252	4.52%	-1.46%	3.39%
City of Hanceville	HAN	2475	4.30%	3.93%	8.56%
Harpersville	HAP	2454	3.96%	2.61%	6.90%
Hartselle	HAR	2357	3.99%	2.36%	6.68%
Ashland Housing Authority	HAS	4561	4.27%	8.88%	13.48%
Haleyville	HAV	2439	4.45%	9.06%	13.84%
Hayneville	HAY	2272	4.99%	1.67%	6.99%

SCHEDULE H

**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**



Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Historic Blakeley Auth	HBA	4691	3.56%	15.85%	19.74%
Horseshoe Bend Regional Library	HBL	4490	4.43%	-4.43%	0.33%
Brewton Housing Authority	HBR	4565	5.78%	-5.78%	0.33%
Hokes Bluff Sewer Bd	HBS	4739	4.37%	1.67%	6.37%
Hokes Bluff Water Works	HBW	4740	3.12%	-3.12%	0.33%
Henry Co. Water Authority	HCA	4695	2.87%	5.25%	8.45%
Brent Housing Authority	HCB	4543	5.33%	-5.33%	0.33%
Historic Chattahoochee Commission	HCC	4488	4.61%	5.68%	10.62%
Hale Co. emergency Medical Service	HCM	4926	3.15%	7.45%	10.93%
Henry County Soil & Water Cons Dist	HCS	4628	4.99%	-0.42%	4.90%
Headland	HED	2321	4.69%	-1.19%	3.83%
Helena	HEL	2310	4.16%	2.26%	6.75%
Helena Utilities	HEU	2311	3.52%	0.55%	4.40%
City of Heflin	HFL	2494	4.50%	4.49%	9.32%
Headland Housing Authority	HHA	4802	5.70%	2.35%	8.38%
Hackleburg Housing Authority	HKH	4932	4.26%	12.02%	16.61%
Hackleburg Water Board	HKW	4878	5.17%	1.29%	6.79%
Town of Holly Pond	HLP	2490	4.03%	1.82%	6.18%
Huntsville Madison Co M Health Bd	HMC	4457	5.06%	0.51%	5.90%
Millport Housing Authority	HMI	4568	5.64%	-1.22%	4.75%
Huntsville-Mad Co M & P Auth	HMM	4741	3.59%	3.82%	7.74%
Huntsville & Madison Co. Railroad Authority	HMR	4888	5.33%	3.54%	9.20%
Huntsville/Madison Co. Cons. & Visitors Bureau	HMV	4894	4.39%	-2.47%	2.25%
Harvest-Monrovia Wtr	HMW	4755	4.28%	3.11%	7.72%
Houston Co. Water Authority	HOC	4898	5.19%	6.96%	12.48%
Town of Hodges	HOD	2474	3.96%	-2.97%	1.32%
Hollywood	HOL	2417	4.68%	-3.19%	1.82%
Homewood	HOM	2264	4.10%	5.48%	9.91%
Houston County	HOU	1134	4.40%	0.80%	5.53%
Hartford Housing Authority	HRA	4857	5.16%	6.78%	12.27%
Henry County	HRY	1137	4.64%	-1.90%	3.07%
Houston Co Soil Con Dst	HSC	4787	0.39%	5.40%	6.12%
Huntsville Solid Waste Dispos Auth	HSD	4682	3.68%	8.81%	12.82%
Hale Cty Soil & Water Conserv	HSW	4644	2.55%	8.29%	11.17%
Hueytown	HUE	2225	4.20%	5.79%	10.32%
Hartselle Utilities Bd	HUT	4723	4.25%	2.24%	6.82%
Hoover	HVR	2344	3.89%	4.17%	8.39%
Forestdale Fire District	HVW	4617	3.34%	3.44%	7.11%
Hanceville Water Works and Sewer Board	HWB	4867	4.12%	2.08%	6.53%
Highland Water Fire Prot Authority	HWF	4542	4.18%	-4.18%	0.33%
Hackneyville Water & Fire	HWP	4656	4.04%	-4.04%	0.33%
Heflin Water Works & Sewer Bd	HWS	4724	5.02%	6.63%	11.98%
Ind. Dev. Auth. Of Chambers Co.	ICC	4899	3.81%	4.55%	8.69%
Indian Pines Recreation Auth	IPR	4725	4.11%	4.65%	9.09%
Irondale	IRO	2278	4.37%	3.58%	8.28%
Jacksonville	JAC	2238	4.15%	0.53%	5.01%
Jasper	JAS	2248	4.28%	2.42%	7.03%
Jackson County	JCC	1163	4.34%	1.93%	6.60%
Jackson Co Economic Dev Au	JCD	4816	3.24%	10.38%	13.95%
Jefferson Co Health	JCH	4777	5.25%	-1.63%	3.95%
Jackson County Emerg. Mgmt Comm	JCM	4831	5.90%	2.99%	9.22%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Jackson Co Soil & Water Dist	JCS	4737	3.16%	-2.36%	1.13%
Jackson Co. Water Authority	JCW	4870	3.74%	5.38%	9.45%
Jemison	JEM	2400	3.91%	0.55%	4.79%
West Jefferson	JFF	2404	3.31%	10.37%	14.01%
Jacksons Gap Wtr Auth	JGW	4822	4.54%	-1.45%	3.42%
Jacksonville Housing Authority	JHA	4581	5.49%	3.84%	9.66%
Jeff/Blount/StClair Mental Health	JMH	4466	4.60%	-2.90%	2.03%
John Paul Jones Hospital	JPJ	4527	5.20%	1.18%	6.71%
Jasper Utilities Board	JUB	4654	4.23%	5.91%	10.47%
Killen	KIL	2329	5.05%	-0.45%	4.93%
Kinsey	KIN	2445	3.40%	-0.52%	3.21%
Anniston/Calhoun Public Library	LAC	4497	4.12%	-3.90%	0.55%
Lafayette	LAF	2333	3.76%	-2.45%	1.64%
Lanette	LAN	2350	4.16%	-0.26%	4.23%
Lawrence County	LAW	1152	4.66%	0.87%	5.86%
Limestone County	LBR	1129	4.72%	1.50%	6.55%
Lauderdale County	LCC	1154	4.64%	3.11%	8.08%
Lee Co Emer Comm Ds	LCE	4782	2.17%	16.60%	19.10%
Lee County Area Council Govts	LCG	4580	4.34%	-0.78%	3.89%
Lawrence-Colbert Counties Gas Dist	LCO	4631	2.98%	4.42%	7.73%
Lauderdale Co. Comm. Corr. & Pun. Auth.	LCP	4929	4.32%	2.05%	6.70%
Lauderdale Co Reg Lib Sys	LCR	4754	5.00%	3.90%	9.23%
Lowndes County	LDS	1140	4.36%	-0.12%	4.57%
Leeds	LED	2368	4.65%	5.03%	10.01%
Lee County	LEE	1111	4.45%	0.92%	5.70%
Leesburg	LES	2457	2.72%	3.23%	6.28%
Leeds Water Works Board	LEW	4881	3.14%	14.76%	18.23%
Lexington	LEX	2416	4.75%	7.92%	13.00%
Lamar County Gas District	LGD	4627	4.86%	12.63%	17.82%
Luverne Housing Authority	LHA	4420	4.24%	7.12%	11.69%
Lincoln	LIC	2421	3.85%	1.99%	6.17%
Linden	LIN	2260	4.62%	-2.52%	2.43%
Lamar County	LMR	1158	4.38%	0.47%	5.18%
Lineville Housing Authority	LNH	4556	4.04%	5.13%	9.50%
Lineville	LNV	2369	4.44%	-1.33%	3.44%
Locust Fork, Town of	LOF	2499	3.76%	-0.96%	3.13%
Loachapoka Water Authority	LOW	4863	4.45%	9.39%	14.17%
Loxley	LOX	2250	4.87%	1.90%	7.10%
Leeds Housing Authority	LSH	4698	5.19%	3.25%	8.77%
Livingston Housing Authority	LVN	4608	5.50%	-3.85%	1.98%
Level Plains, Town of	LVP	2515	5.41%	10.63%	16.37%
Livingston	LVS	2249	3.97%	-3.97%	0.33%
Limestone County Water Authority	LWA	4595	4.19%	1.73%	6.25%
Lamar County Water/Fire Authority	LWF	4576	3.08%	-0.43%	2.98%
Lineville Water & Sewer Board	LWS	4587	3.72%	2.93%	6.98%
Mobile Airport Authority	MAA	2352	4.20%	0.77%	5.30%
Town of Malvern	MAL	2471	6.03%	0.95%	7.31%
Montgomery Area Men Hlth Au	MAM	4819	5.35%	2.36%	8.04%
Middle AL Area Agency on Aging	MAO	4713	4.48%	-1.79%	3.02%
Maplesville	MAP	2503	5.39%	3.15%	8.87%
Marion County	MAR	1115	4.59%	5.60%	10.52%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Moutain Brook Library Bd	MBL	4791	4.45%	3.68%	8.46%
Moutain Brook Pk & Rec Bd	MBP	4792	5.05%	2.04%	7.42%
Mobile Water Service	MBW	2339	3.93%	3.81%	8.07%
Madison County	MCC	1131	4.20%	1.51%	6.04%
Mobile County Civil Defense	MCD	4460	5.55%	11.84%	17.72%
Mobile County Law Enf Pen Fund	MCE	4715	4.83%	12.19%	17.35%
Mobile County Health	MCH	4402	5.10%	0.27%	5.70%
Mobile County Communications Dist	MCM	4641	4.66%	-2.46%	2.53%
Macon County	MCN	1160	4.82%	0.33%	5.48%
Mobile Co Housing Auth	MCO	4779	5.54%	0.34%	6.21%
Macon County Racing Commission	MCR	4586	4.93%	7.44%	12.70%
Montgomery County Soil & Water	MCS	4619	5.72%	-2.15%	3.90%
Marshall co Emem Telt Ser	MCT	4800	3.76%	0.79%	4.88%
Madison County Comm. District	MDC	4823	4.02%	0.89%	5.24%
Marengo Co. Emergency Comm.	MEC	4847	5.12%	-0.39%	5.06%
Marshall County Gas District	MGD	4522	3.78%	4.21%	8.32%
Marengo County	MGO	1148	4.14%	2.14%	6.61%
Marion Housing Authority	MHA	4555	6.73%	14.56%	21.62%
International Motor Sport Hall Fame	MHF	4578	4.42%	2.19%	6.94%
MH/MR Bibb Pickens & Tus	MHM	4763	4.87%	3.77%	8.97%
Midfield	MID	2226	4.05%	3.37%	7.75%
Millbrook	MIL	2384	4.22%	0.50%	5.05%
Marshall-Jackson Mental Retardation Auth.,Inc.	MJR	4918	4.45%	4.60%	9.38%
Midfield Library Board	MLB	4662	6.03%	9.96%	16.32%
Millport, Town of	MLP	2486	4.15%	8.90%	13.38%
Moulton	MLT	2378	3.91%	4.02%	8.26%
Madison Co Men Retardation	MMR	4818	3.10%	-0.90%	2.53%
Monroe County	MNC	1165	3.72%	6.60%	10.65%
Marengo County Nursing Home	MNH	4496	5.07%	0.48%	5.88%
Mobile County	MOB	1101	4.63%	1.64%	6.60%
Morgan Co Emerg MCD	MOC	4756	3.24%	0.83%	4.40%
Moody	MOD	2394	4.57%	-0.34%	4.56%
Moulton Housing Authority	MOL	4591	6.22%	3.57%	10.12%
Monroeville	MON	2385	4.78%	1.10%	6.21%
Morgan County	MOR	1124	4.50%	1.48%	6.31%
Moundville	MOU	2331	5.25%	-2.22%	3.36%
Mobile County Personnel Board	MPB	4405	4.55%	-1.97%	2.91%
Mobile Public Library	MPL	4492	5.43%	-1.33%	4.43%
Ernest F. Ladd Mem. Statium	MPP	4900	4.64%	4.48%	9.45%
Marion Co Water Auth	MPW	4751	4.97%	3.36%	8.66%
Mobile County Racing Commission	MRC	4500	5.81%	-3.40%	2.74%
Marion	MRN	2259	5.33%	-5.33%	0.33%
Marshall County	MRS	1132	4.71%	0.59%	5.63%
Monroeville Housing Authority	MRV	4607	4.36%	2.54%	7.23%
Northwest Regional Airport Authority, Inc.	MSA	4727	3.62%	3.46%	7.41%
Muscle Shoals Electric Bd	MSE	4720	2.74%	8.56%	11.63%
Riverbend Center for Mental Health	MSH	4453	5.34%	-5.34%	0.33%
Madison	MSN	2285	4.20%	2.81%	7.34%
Muscle Shoals Utilities Board	MSU	4606	3.79%	2.76%	6.88%
Mountain Brook City of	MTB	2460	3.83%	6.74%	10.90%
Montevallo	MTV	2325	4.42%	-0.27%	4.48%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Munford	MUN	2511	3.88%	4.17%	8.38%
Muscle Shoals	MUS	2382	3.80%	3.74%	7.87%
Mt. Vernon	MVN	2386	3.74%	4.70%	8.77%
Monroeville Water Works	MVW	2301	4.14%	6.28%	10.75%
Madison Water / Waste	MWB	4759	3.75%	2.32%	6.40%
Morgan Co. Soil/Water Conservation District	MWC	4919	3.24%	6.97%	10.54%
Maplesville Water & Gas Board	MWG	4624	4.54%	-0.29%	4.58%
Mobile Co	MWS	4767	3.43%	-2.32%	1.44%
Myrtlewood	MYR	2455	4.93%	2.40%	7.66%
Northwest Al. Council Local Gov	NAC	4650	4.32%	3.20%	7.85%
North Alabama Gas District	NAG	4528	3.34%	2.09%	5.76%
NW Al Mental Health Ctr	NAM	4790	4.80%	1.00%	6.13%
Northeast Alabama NR/DD Authority	NAR	4845	4.58%	-0.25%	4.66%
N E Al Water Sewer Board	NAW	4669	4.36%	2.53%	7.22%
Town of North Bibb	NBI	2487	4.86%	-0.20%	4.99%
N Central AL Mental Health Bd	NCA	4711	4.47%	0.24%	5.04%
Town of Nectar	NCT	2495	3.59%	3.90%	7.82%
N Dallas Co Wtr Auth	NDC	4821	4.59%	2.92%	7.84%
Northport Housing Authority	NHA	4421	3.98%	-2.64%	1.67%
New Hope	NHP	2396	4.34%	5.92%	10.59%
North Jackson Cty Water & Fire Prot	NJC	4643	4.24%	3.42%	7.99%
New London Wtr Swr & Fire	NLW	4798	5.74%	-0.91%	5.16%
N Morgan Co Water & Fire	NMC	4714	3.64%	3.26%	7.23%
Northport	NOR	2332	3.89%	2.72%	6.94%
Town of Notasulga	NOT	2466	4.98%	0.92%	6.23%
Northwest Regional Library	NRL	4518	5.85%	11.81%	17.99%
North Shelby Co Library	NSC	4758	3.99%	-3.99%	0.33%
Oakman	OAK	2449	2.82%	-1.34%	1.81%
Orange Beach Water, Sewer & Fire	OBW	4757	4.10%	1.09%	5.52%
Odenville, Town of	ODE	2484	4.76%	4.77%	9.86%
Odenville Utilities Board	ODU	4830	3.12%	7.88%	11.33%
Ohatchee	OHA	2390	4.49%	1.73%	6.55%
Oak Grove, Town of	OKG	2485	4.23%	4.56%	9.12%
Creola	OLA	2330	4.47%	-1.61%	3.19%
Oneonta Utilities Board	ONE	2286	4.17%	2.59%	7.09%
Oneonta	ONT	2318	4.51%	0.17%	5.01%
Opelika	OPE	2212	4.13%	4.06%	8.52%
Opelika Housing Authority	OPH	4416	4.79%	-4.79%	0.33%
Opp	OPP	2317	3.83%	-1.16%	3.00%
Opp Utilities Board	OPU	2316	3.97%	2.56%	6.86%
Orange Beach	ORG	2383	4.64%	0.68%	5.65%
Oakman Utilities Board	OUB	4602	3.34%	3.60%	7.27%
Opelika Water Works Bd	OWW	4762	4.11%	5.29%	9.73%
Oxford	OXF	2222	4.22%	-0.47%	4.08%
Ozark-Dale County E-911, Inc.	OZD	4884	3.97%	-0.37%	3.93%
Ozark	OZK	2237	4.32%	1.10%	5.75%
Pine Bluff Water Authority	PBA	4917	4.07%	5.70%	10.10%
Pell City Housing Authority	PCA	4855	3.98%	6.52%	10.83%
Phil Campbell Water Works Board	PCB	4675	4.43%	1.11%	5.87%
Pickens County Cooperative Library	PCC	4633	7.56%	-1.53%	6.36%
Pickens County E-911 Board	PCE	4858	4.26%	-0.11%	4.48%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Pickens County Water/Sewer/Fire	PCW	4537	4.31%	-4.31%	0.33%
Tusc Cnty Public Defenders Office	PDO	4664	3.23%	1.52%	5.08%
Pell City	PEL	2228	4.26%	0.85%	5.44%
Pelham	PEM	2453	3.85%	6.97%	11.15%
Pennington	PEN	2279	3.76%	-3.76%	0.33%
Perry County	PER	1138	5.01%	-1.15%	4.19%
Prattville Housing Authority	PHA	4547	5.29%	5.40%	11.02%
Pickens County	PIC	1147	4.87%	1.83%	7.03%
Piedmont Housing Authority	PID	4603	5.44%	6.92%	12.69%
Piedmont	PIE	2270	3.91%	2.12%	6.36%
Pine Hill	PIN	2418	5.06%	2.61%	8.00%
Pisgah	PIS	2430	5.51%	8.44%	14.28%
Pike County Communications District	PKD	4915	2.70%	1.51%	4.54%
Pike County	PKE	1125	4.27%	2.93%	7.53%
Pike County Water Authority	PKW	4882	3.28%	12.18%	15.79%
Pleasant Grove	PLG	2244	4.48%	7.23%	12.04%
Pine Level Water & Fire Protection	PLW	4718	5.46%	3.01%	8.80%
Prattville	PRA	2324	3.82%	2.96%	7.11%
Prichard Housing Authority	PRH	4796	4.58%	6.44%	11.35%
Priceville	PRI	2406	4.52%	-0.70%	4.15%
Pike Co. Soil & Water Cons. D.	PSW	4599	1.58%	10.73%	12.64%
Pennington Utilities Board	PUB	4925	4.99%	0.77%	6.09%
Prattville Water Works Board	PWW	2256	3.69%	2.22%	6.24%
Quint Mar Water/Fire Authority	QMW	4572	4.58%	3.34%	8.25%
Ragland	RAG	2507	4.94%	7.01%	12.28%
Rainsville	RAI	2415	4.26%	4.62%	9.21%
Randolph County	RAN	1123	4.58%	1.76%	6.67%
Ragland Water Works Board	RAW	4921	3.46%	7.42%	11.21%
Red Bay Housing Auth.	RBA	4903	6.19%	2.73%	9.25%
Red Bay Water and Gas Board	RBW	4850	5.55%	11.21%	17.09%
Rainbow City Gas/Water/Sewer	RCB	2289	3.91%	5.84%	10.08%
Russell Co Emrgency Comm Dst	RCE	4797	3.74%	9.28%	13.35%
North Central AL Reg Council Govt	RCG	4478	4.90%	4.04%	9.27%
Russell Co S & W	RCS	4761	6.06%	4.16%	10.55%
Russell Public Utilities	RCU	4551	4.25%	2.54%	7.12%
Red Level	RDL	2512	4.49%	11.59%	16.41%
Red Bay, Town of	RED	2482	4.19%	8.58%	13.10%
Reform	REF	2282	4.63%	-4.63%	0.33%
Rehobeth	REH	2505	5.65%	6.53%	12.51%
Rogersville Water/Sewer	RGU	2308	4.44%	2.14%	6.91%
Reform Housing Authority	RHA	4577	3.12%	6.97%	10.42%
Law/Cul/Mor Reg Housing Auth	RHL	4699	5.08%	-3.43%	1.98%
Town of Riverside	RIV	2467	5.36%	3.22%	8.91%
Roanoke	ROA	2397	4.31%	3.02%	7.66%
Robertsdale	ROB	2262	3.40%	3.01%	6.74%
Rogersville Town	ROG	2307	5.25%	-4.10%	1.48%
Remlap-Pine Mountain Water Authority	RPM	4883	5.59%	1.28%	7.20%
Rocky Ridge Fire District	RRF	4914	2.06%	12.87%	15.26%
Russellville Gas Bd	RSG	4789	4.18%	3.05%	7.56%
Russellville Utilities	RSU	4784	3.83%	-0.44%	3.72%
Russellville	RSV	2217	3.91%	5.10%	9.34%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
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Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Roanoke Utilities Board	RUB	4622	4.63%	2.06%	7.02%
Russell County	RUS	1122	4.53%	0.11%	4.97%
Town of Rutledge	RUT	2478	5.61%	0.56%	6.50%
Russellville Wtr Wks	RWW	4785	4.33%	6.89%	11.55%
Southern Al Reg on Aging	SAC	4663	4.78%	1.31%	6.42%
Saraland	SAR	2233	3.63%	2.25%	6.21%
S.E.Al Solid Wst Dis Au	SAS	4783	4.40%	-0.51%	4.22%
Satsuma	SAT	2361	5.00%	0.82%	6.15%
S W AL Water & Fire Protection	SAW	4717	4.86%	1.95%	7.14%
Shelby County	SBR	1107	4.36%	3.11%	7.80%
St. Clair County Library	SCC	4509	6.46%	-1.98%	4.81%
South Central Al Development Comm	SCD	4567	4.16%	1.48%	5.97%
St. Clair Co. Industrial Dev. Board, Inc.	SCI	4871	3.86%	3.86%	8.05%
Mildred B. Harrison Library	SCL	4498	4.78%	-4.78%	0.33%
South Central Mental Health Center	SCM	4472	5.30%	-5.28%	0.35%
Scottsboro Water/Sewer/Gas Bd	SCO	2295	3.54%	5.94%	9.81%
Shoals Comm. On Prog. Emp. For MR	SCP	4927	4.28%	0.51%	5.12%
So Crenshaw Co Water Authority	SCR	4722	2.88%	-0.71%	2.50%
Sumter Co. Soil & Water	SCS	4665	1.31%	-1.31%	0.33%
Scottsboro	SCT	2405	4.16%	6.05%	10.54%
Sardis City Water Board	SCW	4660	3.71%	9.41%	13.45%
Sumter County Industrial Dev Bd	SDB	4562	5.59%	-5.59%	0.33%
S E AL Reg Plan & Dev Comm	SEA	4706	4.93%	-0.20%	5.06%
Section Water Works Bd	SEB	4753	3.80%	4.45%	8.58%
Shelby Co. Econ. And Ind. Dev. Auth.	SEI	4936	4.17%	7.47%	11.97%
Selma	SEL	2277	4.44%	2.36%	7.13%
Scottsboro Electric Power Board	SEP	4597	3.98%	6.33%	10.64%
Selma Water Works and Sewer Board	SEW	4846	4.64%	-4.64%	0.33%
Town of St. Florian	SFL	2493	4.59%	12.69%	17.61%
Selma Housing Auth	SHA	4686	4.81%	13.81%	18.95%
Sheffield	SHE	2380	4.55%	3.73%	8.61%
Town of Shorter	SHO	2496	3.39%	1.87%	5.59%
Town of Silas	SIA	2476	4.87%	0.43%	5.63%
Shoals Economic Devel Auth	SID	4667	5.42%	-2.17%	3.58%
Town of Silverhill	SIL	2473	4.73%	3.86%	8.92%
City of Slocomb	SLO	2479	5.00%	2.93%	8.26%
Slocomb Waterworks and Sewer Board	SLW	4841	4.36%	6.30%	10.99%
Star-Mindingall Water and Fire Protection Auth.	SMF	4880	6.10%	0.28%	6.71%
Sumiton	SMT	2413	4.64%	4.82%	9.79%
Sand Mountain Water Authority	SMW	4642	4.21%	3.99%	8.53%
Snead	SNE	2461	4.52%	4.30%	9.15%
Somerville	SOM	2510	4.89%	7.14%	12.36%
Southside	SOU	2370	4.28%	0.15%	4.76%
City of Spanish Fort	SPA	2472	4.42%	1.88%	6.63%
Scottsboro Public Library	SPL	4707	5.64%	2.92%	8.89%
Scottsboro Public Park & Rec Bd	SPP	4638	4.56%	2.94%	7.83%
Springville	SPR	2423	4.73%	1.23%	6.29%
Sheffield Power, Water & Gas	SPW	4623	3.37%	4.21%	7.91%
Sylacauga Parks & Recreation Dept	SRA	4584	4.81%	-4.81%	0.33%
Sardis	SRD	2428	4.81%	3.97%	9.11%
South Al Regional Planning Comm	SRP	4569	5.30%	-1.24%	4.39%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Sand Springs Water Authority	SSA	4826	4.85%	-2.78%	2.40%
Shelby Co Soil Cons Dst	SSC	4795	4.74%	-1.06%	4.01%
Shoals Solid Wst Disp Auth	SSD	4799	4.92%	1.28%	6.53%
Southside Water & Sewer	SSW	4594	4.30%	1.26%	5.89%
St. Clair County	STC	1120	4.66%	3.68%	8.67%
Steele	STE	2389	4.68%	-3.64%	1.37%
Stevenson Housing Authority	STH	4563	6.59%	-0.05%	6.87%
Sumter County	STR	1108	4.85%	-0.43%	4.75%
Stevenson	STV	2438	5.08%	4.36%	9.77%
Stewartville Water Auth	STW	4685	4.32%	8.22%	12.87%
Sylacauga Utilities Board	SUB	4583	4.30%	2.59%	7.22%
Summerdale	SUD	2401	4.50%	-1.37%	3.46%
Sulligent Housing Authority	SUH	4928	5.37%	0.43%	6.13%
Sulligent	SUL	2336	4.74%	-0.17%	4.90%
Stevenson Utilts Bd	SUT	4804	2.42%	2.27%	5.02%
Stillwaters Volunteer Fire and Rescue	SVF	4940	3.09%	-0.44%	2.98%
Sumter County Water Authority	SWA	4532	4.49%	2.31%	7.13%
Satsuma Water Works Board	SWB	2362	4.13%	3.60%	8.06%
St. Clair County Soil & Water Con. Dist.	SWC	4828	6.90%	5.84%	13.07%
Sumiton Water Works Board	SWO	4674	4.06%	-1.07%	3.32%
Shelby Co. Work Release Commission	SWR	4875	6.48%	-0.18%	6.63%
Saraland Water Service	SWS	2297	3.39%	5.92%	9.64%
Sylacauga	SYL	2364	4.36%	-2.84%	1.85%
Tarrant City	TAR	2206	4.84%	3.90%	9.07%
Taylor	TAY	2434	4.81%	1.48%	6.62%
Talladega Co Emg 911 Comm	TCE	4738	3.12%	-0.07%	3.38%
Top of Al Regional Council - Govts	TCG	4579	5.02%	2.53%	7.88%
Town Creek, Town of	TCK	2483	4.41%	7.43%	12.17%
Tallapoosa Co Emer Mgmt	TCM	4794	6.51%	-0.40%	6.44%
Tuscaloosa County Soil & Water Conservation	TCS	4639	2.74%	9.24%	12.31%
Tuscaloosa County Special Tax Bd	TCT	4505	3.57%	-1.87%	2.03%
Talladega County Soil & Water Con. Dist.	TCW	4829	6.61%	4.47%	11.41%
Talladega	TDG	2241	4.50%	0.49%	5.32%
Alabama Historical Iron Works Commission	TFF	4506	5.57%	-2.20%	3.70%
Talladega County	TGA	1109	4.47%	-1.39%	3.41%
Tarrant Housing Authority	THA	4408	5.13%	1.47%	6.93%
Hokes Bluff	THB	2273	4.99%	-2.93%	2.39%
City of Thomasville	THM	2488	4.30%	7.61%	12.24%
Thomaston	THO	2381	1.67%	2.73%	4.73%
Thorsby	THR	2403	5.27%	5.71%	11.31%
Tuscaloosa Co. Industrial Dev. Authority	TID	4897	2.95%	15.06%	18.34%
Jackson's Gap	TJG	2347	4.58%	-4.58%	0.33%
Al. Tombigbee Regional Commission	TMB	4515	4.77%	2.35%	7.45%
Tri-County MR/DD Board	TMR	4851	4.72%	4.10%	9.15%
New Site	TNS	2363	4.19%	1.77%	6.29%
Collinsville	TOC	2323	5.06%	4.55%	9.94%
Grant Waterworks Board	TOG	2267	3.74%	2.47%	6.54%
Vincent	TOV	2284	3.82%	0.44%	4.59%
Tallapoosa County	TPA	1110	4.47%	-1.26%	3.54%
Phil Campbell	TPC	2399	5.32%	-4.81%	0.84%
Tuscaloosa County Park/Rec Bd	TPR	4474	4.78%	-0.55%	4.56%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
Tuscaloosa Cnty Parkg/Transit Auth	TPT	4493	5.81%	-1.95%	4.19%
Tarrant City Electric System	TRE	2207	2.68%	5.62%	8.63%
Triana	TRI	2365	5.31%	5.12%	10.76%
Trinity	TRN	2374	5.19%	3.23%	8.75%
Troy	TRO	2235	4.07%	6.09%	10.49%
Trussville	TRU	2373	4.50%	2.50%	7.33%
Tallassee	TSE	2231	4.42%	-4.42%	0.33%
Black Warrior Solid Waste Authority	TSW	4666	4.38%	-2.90%	1.81%
Tuskegee Utilities Board	TUB	4913	4.11%	-4.11%	0.33%
Tuscumbia	TUC	2379	4.39%	5.37%	10.09%
Tuscaloosa County	TUS	1102	3.92%	4.29%	8.54%
Trussville Utilities Board	TVU	4590	3.81%	8.58%	12.72%
Turnerville Wtr. & Fire Prot. Dist.	TWF	4901	5.09%	4.12%	9.54%
TalladegaWater & Sewer Bd	TWS	4748	4.30%	1.40%	6.03%
USS Alabama Battleship Comm.	UAB	4653	4.58%	-1.23%	3.68%
Chickasaw Utilities	UBC	2337	3.86%	6.09%	10.28%
Ozark Utilities Board	UBO	2232	4.09%	6.09%	10.51%
Union Grove Utilities Board	UGU	4728	6.33%	-1.23%	5.43%
Uniontown	UNI	2456	4.82%	47.84%	52.99%
Union Springs	USP	2266	5.59%	-5.59%	0.33%
Union Springs Utilities Bd	USU	4694	4.28%	-3.80%	0.81%
Uniontown Housing Authority	UTN	4596	3.42%	-0.65%	3.10%
Uniontown Utilities	UUB	4771	4.07%	40.32%	44.72%
Valley Head, Town of	VAH	2502	5.73%	-0.56%	5.50%
Valley	VAL	2335	4.41%	-1.82%	2.92%
Vance	VAN	2367	4.77%	-3.48%	1.62%
Vernon Housing Authority	VEH	4852	4.00%	6.56%	10.89%
Vernon	VER	2240	4.73%	-0.94%	4.12%
Vestavia Hills	VES	2261	3.93%	3.95%	8.21%
Valley Housing Authority	VHA	4721	4.62%	7.17%	12.12%
Valley Head Wtr Wks Bd	VHW	4803	2.18%	5.45%	7.96%
Walker County	WAL	1146	4.68%	-0.30%	4.71%
West Al Plan/Development Council	WAP	4495	4.04%	-0.48%	3.89%
Warrior	WAR	2372	4.82%	0.40%	5.55%
Washington County	WAS	1133	4.89%	-2.87%	2.35%
Winston Co. E-911 Communications Dst.	WCD	4862	4.57%	2.56%	7.46%
Walker Co E911 Dst	WCE	4773	4.01%	-0.94%	3.40%
Washington Co. Soil & Water Con. Dist	WCS	4615	5.04%	-5.04%	0.33%
Walker Co. Soil & Water	WCW	4657	4.96%	-3.42%	1.87%
Weaver	WEA	2452	4.27%	-0.68%	3.92%
Webb	WEB	2427	5.94%	1.72%	7.99%
W. Etowah Co. Water Auth	WEC	4671	5.14%	3.95%	9.42%
Wedowee	WED	2268	4.95%	-3.31%	1.97%
Wetumpka	WET	2300	5.02%	2.26%	7.61%
Wilcox County Gas District	WGD	4546	4.30%	2.76%	7.39%
Walker Co. Housing Auth	WHA	4652	5.67%	4.72%	10.72%
Walnut Hill Water Authority	WHW	4731	4.07%	-4.07%	0.33%
Wilcox County	WIL	1145	4.40%	0.67%	5.40%
Winfield	WIN	2377	4.45%	2.07%	6.85%
Wilsonville	WIV	2409	4.93%	-4.93%	0.33%
W Lauderdale co Wtr & Fi Pa	WLC	4772	4.81%	0.37%	5.51%

SCHEDULE H**Contribution Rates for Local Employers Participating Under Section 36-27-6
Rates Payable for the Fiscal Year Beginning October 1, 2006**

Unit Name	Unit Code	Unit Number	Normal Rate	Accrued Liability Rate	Total Rate
West Morgan-East Lawrence Water	WMA	4566	3.74%	1.66%	5.73%
SpectraCare	WMH	4475	4.93%	6.21%	11.47%
Wall Street Water Authority	WSA	4703	3.78%	7.46%	11.57%
Winston Co. Soil & Wtr. Cons. Dst.	WSC	4907	5.34%	15.14%	20.81%
Westover Water & Fire Pro. Auth	WSO	4598	4.96%	3.45%	8.74%
Winston County	WST	1164	4.77%	-0.89%	4.21%
Wetumpka Water/Sewer Board	WSW	2309	5.18%	1.72%	7.23%
Warrior River Water Authority	WWF	4570	3.85%	0.88%	5.06%
Wedowee Water, Sewer, and Gas Board	WWS	4938	4.53%	13.25%	18.11%
Winfield Water/Sewer	WWW	2253	2.56%	7.15%	10.04%
York Housing Authority	YKH	4564	5.54%	10.07%	15.94%
York	YOR	2219	4.47%	-4.47%	0.33%