

**Annual Report
of the
Alabama Prepaid Affordable
College Tuition (PACT),
CollegeCounts 529 and ABLE
(Achieving a Better Life
Experience) Programs**



January 8, 2024

***Submitted by the Office of the State Treasurer in
accordance with Act 2010-725 & Section 16-33C-12
of the Code of Alabama***

**Annual Report of the
Alabama Prepaid Affordable College Tuition (PACT),
CollegeCounts 529 and ABLE (Achieving a Better Life
Experience) Programs**

January 8, 2024

This report includes:

- Cover letter summary of three programs
- Two actuarial reports on PACT
- PACT board member demographic information



STATE OF ALABAMA
OFFICE OF STATE TREASURER

State Capitol, 600 Dexter Avenue, S-106
Montgomery, Alabama 36104

YOUNG BOOZER
TREASURER

January 8, 2024

TO: Governor Kay Ivey
Lieutenant Governor Will Ainsworth
Speaker Nathaniel Ledbetter

RE: FY23 Annual Report of PACT, CollegeCounts & ABLE Programs

In accordance with *Act No. 2010-725* and Section 16-33C-12, Code of Alabama, regarding Alabama's Prepaid College Tuition Program (PACT), the CollegeCounts 529 Fund and the Achieving a Better Life Experience Program (ABLE) programs, I am pleased to provide an annual accounting of the programs for FY23.

PACT Program Highlights:

- Actuarial funded ratio of 250.2%
- Active accounts of 6,054

PACT pays the lesser of the 2010 adjusted rates and the actual tuition and mandatory fees. The Board voted a 23% increase for 2023 with the purpose of having all schools able to receive full tuition and mandatory fees, marking the ninth consecutive increase in tuition and fees.

PACT remains actuarially sound, and operations continue to run efficiently and cost effectively.

CollegeCounts 529 Fund Highlights:

- Total assets of \$2.280 billion representing 115,938 accounts
- Alabama assets of \$1.575 billion representing 74,447 accounts

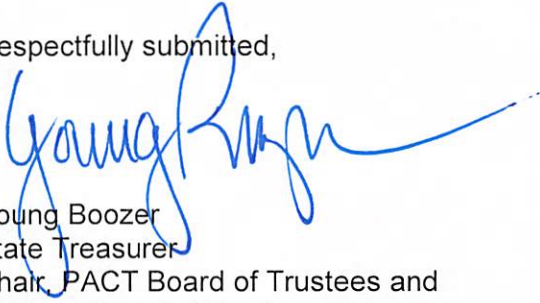
ABLE Program Highlights:

- Assets of \$3.498 million in 740 active accounts

The FY 2023 Actuarial Report and annual audit of the PACT Program, as well as end of year reports for the Savings Board (CollegeCounts and ABLE Programs) are available on the State

Treasury website at www.treasury.alabama.gov. Please contact me with any questions at (334) 242-7501.

Respectfully submitted,



Young Boozer
State Treasurer
Chair, PACT Board of Trustees and
Savings Board of Trustees

CC: Rep. Danny Garrett
Senate Pres. Pro Tem Greg Reed
Sen. Arthur Orr
PACT Board members

PACT Funded Status as of September 2023

a. Market Value of Assets	\$218,832,692
b. Actuarial present value of future payments expected to be made to the fund by contract purchasers	382,112
c. Actuarial present value of future expenses	(2,864,857)
d. Actuarial present value of future Education Trust Fund payments expected to be made to the fund by the State	<u>0</u>
e. Subtotal (a + b + c + d)	\$216,349,947
f. Actuarial present value of future payments expected to be made from the trust fund to universities for tuition and mandatory fees, and to purchasers upon contract cancellation	<u>84,735,705</u>
g. Reserve as of September 30, 2023 (e - f)	<u><u>\$131,614,242</u></u>

PACT Cash Flow, Asset and Liability Projection as of September 2023

(amounts are shown in \$1,000s)

<u>Fiscal Year End</u>	<u>Contract Payments</u>	<u>Education Trust Fund</u>	<u>Payments Out of Trust Fund</u>	<u>Administrative Expenses</u>	<u>Assets</u>	<u>Liabilities End of Year</u>
9/30/2023					\$ 218,800	\$ 84,736
9/30/2024	\$ 300	\$ 0	\$ -29,600	\$ - 525	198,400	55,590
9/30/2025	100	0	-22,000	- 525	183,400	34,905
9/30/2026	0	0	-16,000	- 525	172,500	20,348
9/30/2027	0	0	-11,600	- 525	165,000	10,167
9/30/2028	0	0	- 6,400	- 400	161,400	4,637
9/30/2029	0	0	- 3,100	- 300	161,100	2,002
9/30/2030	0	0	- 1,600	- 200	162,600	711
9/30/2031	0	0	- 700	- 100	165,000	141
9/30/2032	0	0	- 200	- 100	168,000	0

**PACT Board Member Demographic Information
(As of December 2023)**

Race:	14 Caucasian	1 African American	
Gender:	14 males	1 female	
Urban or rural resident:	11 urban	4 rural	
Employed:	14 yes	1 no	
Highest education level completed:	High School/Continuing Education:		
	Bachelor's Degree:		5
	Master's Degree:		5
	Juris Doctorate:		2
	Ph.D.:		3
	Other		
2023 combined household income:	0-\$999:		
	\$1,000-\$9,999:		
	\$10,000-\$49,999:		
	\$50,000-\$149,999:		3
	\$150,000-\$249,999:		4
	\$250,000 or more:		8