

Education and State Employee Compensation and Benefits

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Agenda



Salaries



Teacher Retirement
Benefits



State Employee
Retirement Benefits



Average Monthly
Retirement Benefits



Health Benefits



Paid Leave and
Holidays

Sources

- 2020 Annual Wages
 - U.S. Bureau of Labor Statistics, Quarterly Census Employment and Wages (https://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables)
- Teacher Salary
 - NEA 2019-2020 Teacher Salary Benchmark Report
- Teacher Retirement
 - https://www.rsa-al.gov/uploads/files/TRS_Member_Handbook_2021.pdf
 - <https://www.trsga.com/wp-content/uploads/Members-Guide-with-Cover.pdf>
 - <https://www.trsga.com/employer/contribution-rates/>
 - <https://www.flsenate.gov/Session/Bill/2021/7018>
 - https://www.dms.myflorida.com/workforce_operations/retirement/employers/contribution_rates
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 - <https://treasury.tn.gov/Portals/0/Documents/Retirement/Forms%20and%20Guides/Active%20Members/LegacyTeacherMemberGuide.pdf>
 - <https://treasury.tn.gov/Portals/0/Documents/Retirement/Forms%20and%20Guides/Active%20Members/HybridMemberGuide.pdf>
- State Employee Retirement
 - NASRA, September 2021
 - www.alseib.org/healthinsurance
 - www.mybenefits.myflorida.com/health
 - www.shbp.georgia.gov
 - www.knowyourbenefits.dfa.ms.gov
 - www.tn.gov/partnersforhealth

Sources (cont.)

- Average Monthly Retirement Benefits
 - Retirement System of Alabama, Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2020
 - Florida Retirement System Pension Plan and Other State Administered Systems, Comprehensive Annual Financial Report, FY 2019-2020
 - Teachers' Retirement System of Georgia, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2020
 - Employees' Retirement System of Georgia, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2020
 - Public Employees' Retirement System of Mississippi, 2020 Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2020
 - Tennessee Consolidated Retirement System, Comprehensive Annual Financial Report, for the Fiscal Year Ended June 30, 2020
- Health Benefits Costs
 - Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey, 2020
- Paid Leave
 - <https://revenue.alabama.gov/human-resources/benefits/>
 - https://www.mybenefits.myflorida.com/work_and_life/additional_benefits/paid_leave_of_absence/annual_leave
 - https://www.mybenefits.myflorida.com/work_and_life/additional_benefits/paid_leave_of_absence/sick_leave
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 - <https://www.dfa.ms.gov/dfa-offices/human-resources/explanation-of-benefits/>
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- Holidays
 - <https://www.employmentlawhandbook.com/employment-and-labor-laws/states/alabama/leave-laws/holidays/>
 - <https://www.employmentlawhandbook.com/employment-and-labor-laws/states/florida/leave-laws/holidays/>
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 - <https://www.employmentlawhandbook.com/employment-and-labor-laws/states/mississippi/leave-laws/holidays/>
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Salaries

Teacher Salaries, 2019-2020

State	Starting Salary	Top Bachelor	Starting Master	Top Master	Top Salary
*Alabama	41,028	52,609	47,146	60,245	69,292
Florida	38,724	60,401	42,437	61,273	61,873
Georgia	38,509	56,566	43,711	64,507	79,930
Mississippi	36,543	55,245	38,967	63,131	NA
Tennessee	38,809	52,271	41,991	56,497	64,681

* Beginning with the 2021-2022 school year, the minimum salary for qualified math and science teachers with 0-3 years experience with a Bachelor or Master's Degree is \$46,690 and \$52,941, respectively, plus a \$5,000 stipend.

Teacher Salary Benchmark by Census Region

Region	Starting Salary	Top Bachelor	Starting Master	Top Master	Top Salary
Midwest	38,021	55,549	42,211	67,832	71,954
Northeast	46,684	73,863	50,594	82,178	87,471
South	39,547	55,902	42,399	59,499	64,131
West	43,464	53,024	44,749	67,894	83,216
U.S.	41,163	60,293	45,029	69,798	75,913

Source: NEA 2019-2020 Teacher Salary Benchmark Report

Difference: Benchmark Averages vs. Benchmark by South Region

State	Starting Salary	Top Bachelor	Starting Master	Top Master	Top Salary
Alabama	3.7%	-5.9%	11.2%	1.3%	8.0%
Florida	-2.1%	8.0%	0.1%	3.0%	-3.5%
Georgia	-2.6%	1.2%	3.1%	8.4%	24.6%
Mississippi	-7.6%	-1.2%	-8.1%	6.1%	NA
Tennessee	-1.9%	-6.5%	-1.0%	-5.0%	0.9%

Source: NEA 2019-2020 Teacher Salary Benchmark Report

2020 Annual Wages – State Government

Alabama

\$57,841

Florida

\$52,306

Georgia

\$52,848

Mississippi

\$51,597

Tennessee

\$57,127

Teacher Retirement Benefits 2021

Teacher Retirement Systems

Alabama

Teachers' Retirement System (TRS) of Alabama

Florida

Florida Retirement System

Georgia

Teachers' Retirement System (TRS) of Georgia


Mississippi

Public Employees' Retirement System (PERS)

Tennessee

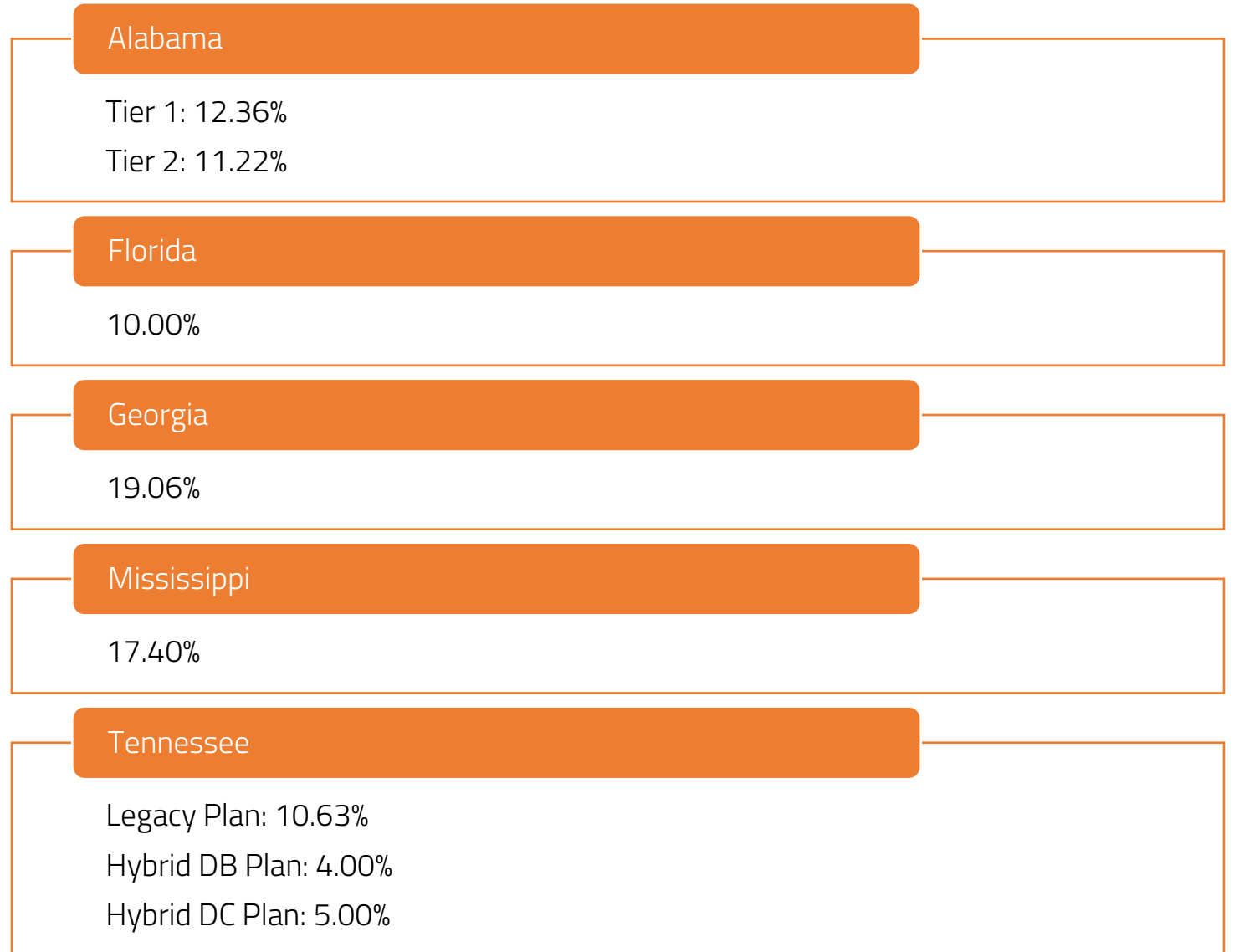
Tennessee Consolidated Retirement System (TCRS)

Employee Contribution



Alabama	Tier 1: 7.50% Tier 2: 6.20%
Florida	3.00%
Georgia	6.00%
Mississippi	9.00%
Tennessee	Legacy Plan: 5.00% Hybrid DB Plan: 5.00% Hybrid DC Plan: 2.00%

Employer Contribution



Vesting

Alabama

Tier 1 (Prior to 1/1/13): 10 years

Tier 2 (On/after 1/1/13, & no eligible service in ERS/TRS prior to 1/1/13): 10 years

Florida

Tier 1 (Prior to 7/1/11): 6 years

Tier 2 (On/after 7/1/11): 8 years

Georgia

10 years

Mississippi

Tier 1 and Tier 2: 4 years

Tier 3 and Tier 4: 8 years

Tennessee

Legacy Plan: 5 years

Hybrid Plan: 5 years

Benefit Factor

Alabama

Tier 1: 2.0125%

Tier 2: 1.65% and benefits capped at 80% of FAS

Florida

Age 62 or 30 years: 1.60%

Age 63 or 31 years: 1.63%

Age 64 or 32 years: 1.65%

Age 68 or 36 years: 1.68%

Georgia

2.00%

Mississippi

Tiers 1-3: 2% for the first 25 years, plus 2.5% each year over 25

Tier 4: 2% for first 30 years, plus 2.5% for each year over 30

Actuarial reduction for each year below 30 or each year below age 65, whichever is less

Tennessee

Legacy Plan: 1.5%; base benefits increased 5%

Increase applies to monthly retirement, disability, and death benefits

Does not apply to lump-sum distributions

Hybrid Plan: 1%

Final Average Salary Determination

Alabama

Tier 1: Average of highest 3 out of last 10 years

Tier 2: Average of highest 5 out of last 10 years

Florida

Tier 1: Average of highest 5 years of salary

Tier 2: Average of highest 8 years of salary

Georgia

Average of 2 highest consecutive years

Mississippi

Average of 4 highest years

Tennessee

Average of 5 highest years

Service Requirement

Alabama

Tier 1: 25 years/any age OR age 60/10 years

Tier 2: age 62/10 years

Florida

Tier 1: 30 years/any age OR age 62/6 years

Tier 2: 33 years/any age or age 65/8 years

Georgia

One of the following:

30 years/any age

Age 60/10 years

25 years/any age with benefit permanently reduced by lesser of 1/12 of 7% for each month below age 60 or 7% for each year or fraction of year less than 30 years

Mississippi

Tiers 1-3: 25 years/any age or age 60/vested

Tier 4: 30 years/any age or age 60/vested

Tennessee

Legacy Plan: Any age/30 years or age 60/any years

Hybrid Plan: Rule of 90 (years of service + age = 90 or greater) or age 65/5 years

State Employee Retirement Benefits 2021

Employee Retirement Systems

Alabama

Employees' Retirement System (ERS)

State employees

State police

Certified law enforcement, correctional officers, and firemen

Florida

Florida Retirement System (FRS)

Public employees

Georgia

Employees' Retirement System of Georgia (ERSGA)

Public employees

Mississippi

Mississippi Public Employees' Retirement System (PERS)

Public employees

Mississippi Highway Safety Patrol Retirement System (MHSPRS)

Law enforcement

Tennessee

Tennessee Consolidated Retirement System

Public employees

Employee Contribution

Alabama

State employees

Tier 1: 7.50%

Tier 2: 6.00%

State Police

10.00%

Certified law enforcement, correctional officers, and firemen

Tier 1: 8.50%

Tier 2: 7.00%

Florida

3.00%

Georgia

Hired before 1/1/09: 1.25%

Hired after 1/1/09 through 6/30/14: 1.0%

Hired after 7/1/14: 5%

Mississippi

Public Employees: 9.0%

Law Enforcement: 7.25%

Tennessee

Legacy Plan: Non-contributory for most state employees

Hybrid DB Plan: 5.0%

Hybrid DC Plan: 2.0%

Employer Contribution

Alabama

State employees

Tier 1: 14.64%

Tier 2: 14.24%

State Police

Tier 1: 51.75%

Tier 2: 42.89%

Certified law enforcement, correctional officers, and firemen

Tier 1: 14.64%

Tier 2: 14.24%

Florida

Range of 8.47% to 38.59%

Georgia

24.66%

Mississippi

Public Employees: 17.90%

Law Enforcement: 49.08%

Tennessee

Legacy Plan: 20.37%

Hybrid DB Plan: 4.00%

Hybrid DC Plan: 5.00%

Vesting

Alabama

10 years

Florida

Hired before 7/1/11: 6 years

Hired after 7/1/11: 8 years

Georgia

10 years

Mississippi

Public Employees

Hired before 7/1/07: 4 years

Hired after 7/1/07: 8 years

Law Enforcement: 5 years

Tennessee

5 years

Benefit Factor

Alabama

State employees

Tier 1: 2.0125%

Tier 2: 1.65% and benefits capped at 80% of FAS

State Police

Tier 1: 2.875%

Tier 2: 2.375% and benefits capped at 80% of FAS

Certified law enforcement, correctional officers, and firemen

Tier 1: 2.0125%

Tier 2: 1.65% and benefits capped at 80% of FAS

Florida

1.60%

Georgia

Hired before 1/1/09: 2.0%

Hired after 1/1/09 participate in hybrid plan : 1.0% (for those hired after 1/1/09 and before 7/1/14)

Hired since 7/1/14: 5%

Mississippi

Public Employees: 2.0% for first 25 years plus 2.5% each year thereafter

Law Enforcement: 2.5%; reduction in benefit for each year below age 55 or for each year under 25 years service, whichever is less

Tennessee

Hired before 7/1/14: 1.5% plus .25% of FAS over SSIL

Hired after 7/1/14 participate in a hybrid plan: 1.0%

Final Average Salary Determination

Alabama

Tier 1: Average of highest 3 fiscal years

Tier 2: Average of highest 5 fiscal years

Florida

Hired before 7/1/11: Average of highest 5 annual salaries

Hired after 7/1/11: Average of highest 8 annual salaries

Georgia

Average of highest 2 annual salaries

Mississippi

Average of highest 4 consecutive annual salaries

Tennessee

Average of highest 5 annual salaries

Service Requirement

Alabama

State employees

Tier 1: Any age/25 years or 60/10 years

Tier 2: Age 62/10 years

State Police

Tier 1: Any age/25 years or 52/10 years

Tier 2: Age 56/10

Certified law enforcement, correctional officers, and firemen

Tier 1: Any age/25 years or 60/10 years

Tier 2: Age 56/10 years

Florida

Hired before 7/1/11: Age 62/6 or any age/30 years

Hired on or after 7/1/11: Age 65/8 or any age/33 years

Georgia

Age 60/10 years or any age and 30 years

Mississippi

Public Employees: Age 60/4 years or any age/25 years (hired between 7/1/92 and 6/30/07; or age 60/8 years or any age/25 years (hired between 7/1/07 and 6/30/11); and age 60/8 or any age/30 years (hired after 7/1/11)

Law Enforcement: Any age/25 years; age 55/5 years; age 45/20 years

Tennessee

Hired before 7/1/14: age 60/5 years, any age/30 years

Hired after 7/1/14 participate in a hybrid plan: Age 65/5 or Rule of 90

Average Monthly Retirement Benefits

Average Monthly Retirement Benefit

Retirement System	10-14 Years of Service / 10-15 Years of Service	20-24 Years of Service / 21-25 Years of Service	30 Years of Service / 30+ Years of Service
Alabama - Employees' Retirement System (ERS) of Alabama	\$785	\$1,728	\$3,498
Alabama - Teachers' Retirement System (TRS) of Alabama	\$952	\$1,850	\$3,522
Florida Retirement Systems	\$705	\$1,814	\$3,354
Georgia - Employees Retirement System of Georgia (ERSGA)	\$791	\$1,755	\$3,235
Georgia - Public School Retirement System (PERS)	\$169	\$307	\$480
Georgia- Teachers' Retirement System of Georgia (TRS)	\$960	\$2,170	\$3,851
Mississippi - Public Employees' Retirement System of Mississippi (PERS)	\$730	\$1,852	\$2,469
Mississippi - Mississippi Highway Safety Patrol Retirement System	\$455	\$3,375	\$5,824
Tennessee - Consolidated Retirement System (TCRS) - Public Employees	\$294	\$1,262	\$2,455
Tennessee - Consolidated Retirement System (TCRS) - Teachers	\$413	\$1,796	\$3,025
Average Monthly Benefit	\$625	\$1,790	\$ 3,188

Health Benefits

Teacher Health Benefits (2021)

State	Average Individual Premium	Average Individual Deductible	Employer Contribution - Individual	Average Family Premium	Average Family Deductible	Employer Contribution - Family
Alabama	\$30	\$300	\$800	\$307	\$900	\$800
Florida	\$33	\$825	\$763	\$122	\$1,650	\$1,651
Georgia	\$129	\$2,017	\$945	\$449	\$4,033	\$945
Mississippi	\$31	\$1,550	\$389	\$693	\$2,800	\$389
Tennessee (High. Edu.)	\$112	\$1,000	\$558	\$283	\$2,250	\$1,451
Tennessee (Local Education)	\$580	\$1,186	n/a	\$1,489	\$2,586	n/a
Average	\$67	\$1,138	\$691	\$371	\$2,327	\$1,047

State Employee Health Benefits (2021)

State	Average Individual Premium	Average Individual Deductible	Employer Contribution - Individual	Average Family Premium	Average Family Deductible	Employer Contribution - Family
Alabama*	\$140	\$300	\$930	\$490	\$900	\$930
Florida	\$33	\$825	\$763	\$122	\$1,650	\$1,651
Georgia	\$129	\$2,017	\$945	\$449	\$4,033	\$945
Mississippi	\$31	\$1,550	\$389	\$693	\$2,800	\$389
Tennessee	\$112	\$1,000	\$558	\$283	\$2,250	\$1,451
Average	\$89	\$1,138	\$717	\$407	\$2,327	\$1,073

*The amount show is the base rate before discounts, waivers, and retiree sliding scale adjustments, if applicable. After adjustments made, the average Individual Premium amount is \$30, and the average Family Premium amount is \$220.

Paid Leave and Holidays

Annual Leave Accrual

Employee's Total Service	Alabama	Florida	Georgia	Mississippi	Tennessee
Fewer than 5 years (1 month to 3 years in MS)	8.40	8.67	10.00	12.00	7.50
5 but less than 10 years (37 months to 8 years in MS)	10.50	10.88	12.00	14.00	11.25
10 but less than 15 years (97 months to 15 years in MS)	12.60	13.00	14.00	16.00	13.13
15 but less than 20 years	14.70	13.00	14.00	18.00	13.13
20 but less than 25 years	16.80	13.00	14.00	18.00	15.00
25 years of service or more	18.90	13.00	14.00	18.00	15.00

Sick Leave Accrual

Employee's Total Service	Alabama	Florida	Georgia	Mississippi	Tennessee
Fewer than 5 years (1 month to 3 years in MS)	8.40	8.67	10.00	8.00	7.50
5 but less than 10 years (37 months to 8 years in MS)	8.40	8.67	10.00	7.00	7.50
10 but less than 15 years (97 months to 15 years in MS)	8.40	8.67	10.00	6.00	7.50
15 but less than 20 years	8.40	8.67	10.00	5.00	7.50
20 but less than 25 years	8.40	8.67	10.00	5.00	7.50
25 years of service or more	8.40	8.67	10.00	5.00	7.50

Paid Holidays for Surrounding States

Holiday ⁽¹⁾	Alabama	Florida	Georgia	Mississippi	Tennessee
New Year's Day	Yes	Yes	Yes	Yes	Yes
Robert E. Lee's Birthday and Martin Luther King, Jr.'s Birthday	Yes	Yes	Yes	Yes	Yes
George Washington's Birthday and Thomas Jefferson's Birthday	Yes	No	Yes	Yes	Yes
Good Friday	No	No	No	No	Yes
Confederate Memorial Day	Yes	No	Yes	Yes	No
National Memorial Day	Yes	Yes	Yes	Yes	Yes
Jefferson Davis's Birthday	Yes	No	No	No	No
Independence Day	Yes	Yes	Yes	Yes	Yes
Labor Day	Yes	Yes	Yes	Yes	Yes
Columbus Day	Yes	No	Yes	No	Yes
Veterans' Day	Yes	Yes	Yes	Yes	Yes
Thanksgiving Day	Yes	Yes	Yes	Yes	Yes
Friday after Thanksgiving	No	Yes	No	No	No
Christmas Day	Yes	Yes	Yes	Yes	Yes
Mardi Gras Day or Personal Holiday	Yes	Yes	No	No	No
TOTAL DAYS	13	10	11	10	11

(1) Does not include Juneteenth

Questions



Thank You



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lsa.state.al.us

Active Members

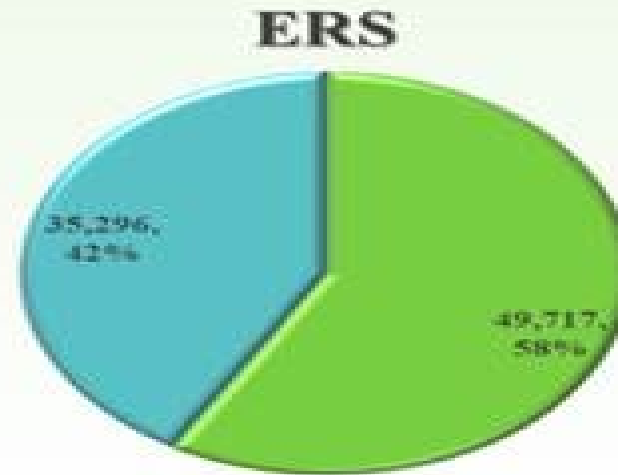
RSA Active Members by Tier

as of 9/30/20 Actuarial Valuation



■ Tier I ■ Tier II

132,707 Total Active Members



■ Tier I ■ Tier II

85,347 Total Active Members

Cost of Living Adjustments/Bonuses

Retirees		
Fiscal Year	Employees' Retirement System	Teachers' Retirement System
2003	3.0%; minimum of \$15/month	3.0%; minimum of \$15/month
2006	4.0%; minimum of \$15/month	4.0%; minimum of \$15/month
2007	7.0%; minimum of \$25/month	7.0%; minimum of \$25/month
2008	One-time bonus equal to \$1/month for each year of service.	One-time bonus equal to \$2/month for each year of service.
2009	One-time bonus equal to \$1/month for each year of service.	-
2015	One-time bonus equal to \$2/month for each year of service or \$300, whichever is greater.	-
2018 ⁽⁴⁾	One-time bonus equal to \$1/month for each year of service.	One-time bonus equal to \$1/month for each year of service.

Retiree COLA Estimates

(from RSA)

COLA Scenarios		
Amount	Cost to Pre-Fund	Increase in Rate for 15 Years if Amortized
TRS 1%	\$199.3M	0.25%
ERS 1%	\$45.1M	0.28%
ERS State Police 1%	\$4.0M	0.68%

TRS Bonus Scenarios

(from RSA)

TRS Bonus Scenarios		
Amount	Total Cost	Increase if Funded in FY23 Rate
\$100	\$10.0M	0.14%
\$1 per month of service	\$29.2M	0.40%
\$1.25 per month of service*	\$32.2M	0.44%
\$1.50 per month of service *	\$33.6M	0.46%
\$1.25 per month of service**	\$33.8M	0.47%
\$1.50 per month of service **	\$35.5M	0.49%

*Max of \$350.

**Max of \$375.

ERS State/ERS State Police Bonus Scenarios (from RSA)

ERS State/ERS State Police Bonus Scenarios		
Amount	Total Cost	Increase if Funded in FY23 Rate
\$100	\$2.5M/\$93K	0.17%/0.17%
\$1 per month of service	\$7.2M/\$316K	0.49%/0.59%
\$1.25 per month of service*	\$7.8M/\$324K	0.52%/0.60%
\$1.50 per month of service *	\$8.1M/\$329K	0.55%/0.61%
\$1.25 per month of service**	\$8.2M/\$345K	0.56%/0.64%
\$1.50 per month of service **	\$8.6M/\$351K	0.58%/0.65%

2020 Annual Wages, All Establishment Sizes

Private Employers

United States - \$64,247

Alabama - \$51,448

Florida - \$55,444

Georgia - \$59,825

Mississippi - \$42,567

Tennessee - \$55,604

Regional Average - \$52,978

State Government

United States - \$65,762

Alabama - \$57,841

Florida - \$52,306

Georgia - \$52,848

Mississippi - \$51,597

Tennessee - \$57,127

Regional Average - \$54,344

Private Sector Employee Health Benefits (2019)

State	Average Individual Premium	Average Individual Deductible	Employer Contribution - Individual	Average Family Premium	Average Family Deductible	Employer Contribution – Family
Alabama	\$1,676	\$1,573	\$4,718	\$5,976	\$2,979	\$11,348
Florida	\$1,811	\$2,147	\$5,267	\$7,674	\$3,894	\$13,187
Georgia	\$1,530	\$1,987	\$5,346	\$5,919	\$4,307	\$13,972
Mississippi	\$1,566	\$1,841	\$4,996	\$7,421	\$3,361	\$11,636
Tennessee	\$1,550	\$2,153	\$4,935	\$5,186	\$3,778	\$13,238
Average	\$1,627	\$1,940	\$5,052	\$6,435	\$3,664	\$12,676