



Vol. LI—No. 8

SERVING OVER 405,000 MEMBERS

February 2026



## Thank You Governor Ivey!

BY DAVID G. BRONNER

Governor Ivey's budget includes an additional \$210 million in funding for PEEHIP for fiscal year 2027 to help address PEEHIP's \$380 million shortfall. This funding increase is significant, especially when coupled with the \$124 million increase for fiscal year 2026 that the governor recommended and the Legislature approved. Despite these substantial increases, PEEHIP will still face an estimated shortfall of \$170 million for 2027.

This remaining shortfall could be

addressed in large part by monies from the Alabama Retired Education Employees' Health Care Trust (the Retiree Trust). This trust was funded by one-time deposits from PEEHIP in 2007 and 2008 and has grown solely from investment income since that time. PEEHIP already intends to use well over \$100 million from the Retiree Trust for the current year. While use of the Retiree Trust next year could meaningfully reduce the shortfall, modest plan changes may also be necessary to ensure PEEHIP's long-term stability.

Any additional funding provided by the Legislature beyond the governor's recommendation would further reinforce PEEHIP and help ensure that hard-earned salary increases and promised retirement benefits are not quietly eroded. Again, thank you to Governor Ivey and Finance Director Bill Poole for the confidence and the financial commitment to PEEHIP. Now, it is up to the Legislature to help secure any additional 2027 funding for members of PEEHIP. ●

## Great Win for Alabama Excitement = Mercedes & Airbus

BY DAVID G. BRONNER

Alabama recently announced the largest single investment in state history. Eli Lilly, the world's most valuable pharmaceutical company, plans to build a \$6 billion advanced manufacturing facility in Huntsville. Governor Ivey, Commerce Secretary McNair, Mayor Battle, U.S. Senators Britt and Tuberville, and State Senator Givhan worked to make this vision a reality.



*The First Monoclonal Antibody Infusion in Alabama, Dr. Carl Garner*

That vision began during the darkest days of the pandemic in November 2020. As deaths rose and treatments failed, morale among healthcare workers was at an all-time low. During that time, Dr. David Thrasher received a call from an Eli Lilly executive announcing emergency use authorization for a new monoclonal antibody treatment, Bamlanivimab. Thrasher, already a state and national leader on COVID, was contacted by Dr. Carl Garner, a senior vice president at Eli Lilly with deep Alabama roots. Garner reached out because his in-laws—members of the Poarch Creek Indian Tribe—were critically ill with COVID. He flew from Indiana to brief Thrasher on the new therapy.

State Health Officer Dr. Scott Harris authorized the treatment, and 20 doses were delivered to Baptist Hospital in

Montgomery—by Uber. The therapy had only been used a handful of times outside clinical trials. Thrasher infused Garner's in-laws and 18 other patients, and by the next day the results were remarkable. Garner assured Thrasher that Alabama would receive the support and supply it needed. With help from the ADPH, UAB, and the Alabama Medical Association, Thrasher established infusion centers across the state. Patients soon traveled to Montgomery from across the Southeast and as far away as Switzerland.

After treating a patient from North Carolina, Thrasher was told by a Lilly executive that he had been "vetted." The patient was the partner of Ken Langone, cofounder of Home Depot, founder of NYU Langone Medical Center, and Lilly's

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# Great Win for Alabama: Excitement = Mercedes & Airbus

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largest private investor. When Langone asked why his partner was sent to Alabama, he was told, “He was sent to the COVID guy.” Under Dr. Harris’s leadership, Alabama treated more monoclonal antibody patients than any other state, drawing national attention.

Throughout the pandemic, Garner supplied thousands of doses and supported Alabama’s rollout, driven by a

desire to “pay back” the state that shaped him. Raised in Alabama and educated at Auburn University, Garner serves on Auburn’s advisory board and Speaker Nathaniel Ledbetter’s longevity task force. His influence helped foster partnerships with institutions such as the HudsonAlpha Institute for Biotechnology.

Lilly’s investment reflects Alabama’s advanced manufacturing strength and the

relationships forged during the crisis—relationships that positioned the state for a historic economic win.

Dr. Thrasher and Dr. Garner have been honored by Auburn University, the Alabama Legislature, and Governor Ivey. Dr. Thrasher has also been inducted into the Alabama Healthcare Hall of Fame. ●

## Analysis of RSA’s Key Metrics (1973-2025)

BY MARK FAGAN

**T**his analysis examines the RSA’s main quantifiable measures for evaluating performance and determining the RSA’s funded ratio. Changes are presented for the RSA’s membership, contributions, investment income, total income, benefits paid, and invested assets **from 1973-2025**. It is expressed in nominal dollars (not adjusted for inflation) and does not constitute an accounting or actuarial analysis. This analysis is based on published RSA Annual Reports.

The RSA had 399 membership entities in 1973 and 1,259 in 2025 (216% increase). This increase contributed to a **263% increase in members from 1973-2025** (112,000 in 1973 to 405,920 in 2025). The RSA had an increase of 142% for active members and 1,045% for retired members **from 1973-2025**. In 1973, the RSA had 6.49 active members for every retired member, and in 2025, the RSA had 1.37 active members for every retired member

(a decrease of 79%). The continually decreasing number of active members (basis for contributions) per retired member (benefits paid) means that increased contributions and investment income are needed to pay benefits and prevent decreases in assets invested.

The RSA is a defined benefit pension plan, which means that contributions, plus investment income, must be greater than the benefits paid to increase the amount of assets invested. The RSA’s total income increased from \$123 million in 1973 to \$7.9 billion in 2025. Contributions from employees and employers to the RSA increased from \$90 million in 1973 to \$3 billion in 2025, while the RSA’s investment income increased from \$33 million to \$4.9 billion. **From 1973-2025, the percentage of the RSA’s total income decreased by 48% from contributions but increased by 129% from investments.**

The RSA’s investment income fluctuated

each year due to changes in invested assets and capital markets. The benefits paid by the RSA increased from \$40 million in 1973 to \$4.3 billion in 2025.

The RSA’s total income **from 1973-2025** (\$132.85 billion) included 42.8% from contributions (\$56.60 billion) and 57.2% from investment income (\$76.25 billion). The RSA’s total income from 1973-2025 exceeded benefits paid by \$55.23 billion, which helped the amount of assets invested increase from \$460 million in 1973 to \$52.5 billion in 2025. **From 1973-2025, the RSA’s investment income covered all but \$1.98 billion of the \$78.23 billion in benefits paid.** This means that most of the contributions to the RSA from 1973-2025 remain as invested assets, producing future investment income to pay benefits and increase assets. ●

THE RSA MEMBERS, CONTRIBUTIONS, INVESTMENT INCOME, TOTAL REVENUE, BENEFITS PAID, AND INVESTED ASSETS FROM 1973-2025 (M=Million, B=Billion)

	1973	2025	Increase from 1973 to 2025	% Change from 1973 to 2025	1973-2025 Totals
Membership Entities	399	1,259	860	216%	
Active Members	97,002	234,952	137,950	142%	
Retired Members	14,936	170,968	156,032	1,045%	
Total Members	111,938	405,920	293,982	263%	
Employee Contributions	\$28 M	\$1 B	\$972 M		\$21.09 B
Employer Contributions	\$62 M	\$2 B	\$1.938 B		\$35.51 B
Total Contributions	\$90M	\$3 B	\$2.910 B		\$56.60 B
Investment Income	\$33 M	\$4.9 B	\$4.867 B		\$76.25 B
Total Benefits Paid	\$40 M	\$4.3 B	\$4.260 B		\$78.23 B
Total Income minus Benefits Paid	\$83 M	\$3.6 B	\$3.517 B		\$55.23 B
Assets Invested	\$460 M	\$52.5 B	\$52.04 B		\$52.5 B

# Alabama Success Story

## Best Buddies Alabama: Creating a State Where Everyone Belongs

In Alabama, friendships are changing lives. Best Buddies in Alabama is on a mission to build a more inclusive world by connecting people with and without intellectual and developmental disabilities. Through school chapters, adult programs, and statewide events, the organization creates opportunities for friendship, leadership, and belonging in every corner of the state.

One of the brightest examples of that mission is Mary White.

When Mary was born, doctors weren't sure if she would ever walk or talk. She began therapy at just six weeks old and spent much of her childhood at Children's of Alabama. Today, she not only walks but runs on a track team. She not only talks but travels across the country as a speaker, advocate, and leader.

Mary is part of Best Buddies Citizens Birmingham, Alabama's first Citizens chapter. She joined hoping to make friends but found

something even bigger, a community that believed in her and gave her the confidence to use her voice. Through Best Buddies, Mary has spoken to audiences

about what you can do, not what you can't do," Mary says. "Best Buddies helped me find my voice and my people."

Best Buddies in Alabama continues to grow through programs like Citizens, Ambassadors, and school chapters that teach students the value of inclusion. The annual Champion of the Year Gala brings these friendships and stories together, celebrating the advocates and community leaders who make inclusion possible. Funds raised at the gala support local programs and help expand Best Buddies to more schools and cities across Alabama. Best Buddies is so thankful for participants like Mary, whose passion and positivity inspire everyone around her.

From Birmingham to Montgomery to Mobile, Best Buddies Alabama is showing what can happen when people choose connection over separation. Every friendship formed and every story shared brings us one step closer to a state where everyone belongs.

As Mary puts it best, "I love my life."

That joy, courage, and love for others capture the heart of Best Buddies in Alabama—a community built on the simple belief that everyone deserves a friend.

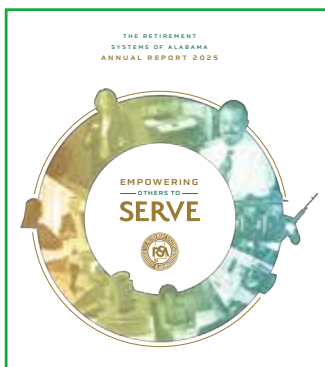
To learn more, visit [bestbuddies.org/alabama/](https://bestbuddies.org/alabama/).

*This is a series of articles about Alabama Success Stories. Please let us know if you have a similar success story you would like to share with the RSA membership. You may contact us at [communication.correspondences@rsa-al.gov](mailto:communication.correspondences@rsa-al.gov).* ●



in Montgomery, New York City, and at the Best Buddies Leadership Conference, where she shared her story in front of more than 2,500 people.

When Mary isn't speaking or volunteering, she works at Children's of Alabama in the Speech and Hearing Clinic, a dream she's had since childhood. She also hosts The Awesome Mary Show, a podcast and YouTube series that celebrates the abilities and accomplishments of people with disabilities. "I learned that it's all



## Annual Report Available

The 2025 RSA Annual Report is available on the RSA website at [www.rsa-al.gov/about-rsa/publications/annual-report/](https://www.rsa-al.gov/about-rsa/publications/annual-report/).

Limited printed copies are available. Call 334.517.7000 or write: Annual Report, P.O. Box 302150, Montgomery, AL 36130-2150



# Start Planning Your Spring Break at RSA's Outstanding Hotels, Spas, and RTJ Golf



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Discounts Webpage

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## ENJOY YOUR WINTER & SPRING A Special Deal FOR RSA MEMBERS

### The Battle House, A Renaissance Hotel \$129

- February 1-4, 8-11, 18-28
- March 1-3, 8-10, 15-17, 22-24, 26-31
- April 1-9, 18-20

### The Battle House RSA Spa Package \$244

- February 2-4, 9-11, 18, 23-25
- March 2-3, 9-10, 16-17, 23-24, 30-31
- April 1, 6-8, 20

### Riverview Plaza \$119

- February 1-4, 9-11, 18-23, 27-28
- March 1-3, 8-10, 22-24, 28-30
- April 3-8, 18-20, 29-30

### Grand Hotel \$137 (plus a 15% resort fee)

- February 1-4, 8-11, 17-19
- March 11-12, 15-16, 29-31 • April 12-13, 26-28

### Grand Hotel RSA Golf Package \$209 (plus a 15% resort fee)

- February 1-4, 8-11, 17-19
- March 11-12, 15-16, 29-31 • April 12-13, 26-28

### Grand Hotel RSA Spa Package \$285 (plus a 15% resort fee)

- February 1-4, 8-11, 17-19
- March 11-12, 15-16, 29-31 • April 12-13, 26-28

### Renaissance Shoals \$119

- February 1-4, 15-16 • March 15-16, 22-23, 29-30
- April 5-6, 12-13, 23-27

### Renaissance Shoals RSA Spa Package \$229

- February 1-4, 15-16 • March 15-16, 22-23, 29-30
- April 5-6, 12-13, 23-27

### Renaissance Ross Bridge\* \$129 (plus a 15% resort fee)

- February 1, 5-8, 11-12, 15-16, 21, 24
- March 1, 15-16, 22-24, 29-31 • April 1-6, 20-21

### Renaissance Ross Bridge\* RSA Spa Package \$260 (plus a 15% resort fee)

- February 9, 11 • March 16 • April 20-21

### Auburn/Opelika Marriott Resort\* \$119 (plus a 10% resort fee)

- February 1-4, 16-17 • March 1-2, 15-18
- April 5-6, 19-22

### Auburn/Opelika Marriott Resort\* RSA Spa Package \$234 (plus a 10% resort fee)

- February 1-4, 16-17 • March 1-2, 15-18
- April 5-6, 19-22

### Prattville Marriott \$109

- February 1, 8-9, 15-18 • March 13-14, 22-23, 29-30
- April 2-5, 19-20

### Renaissance Montgomery \$129

- February 1-2, 23-24, 27-28
- March 13-14, 21-22, 29-30 • April 3-6, 12-13

### Renaissance Montgomery RSA Spa Package \$244

- February 1-2, 5, 8, 27 • March 13, 22, 29-30
- April 3, 12, 26

*Rates available the 1st of the month and are not applicable to groups.*

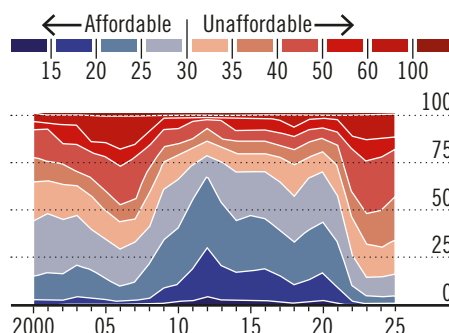
Corporate/Promotional Code: R2A  
on [www.rsa-al.gov](http://www.rsa-al.gov)

**Book Online and Save RSA \$4.**

\*Visit Member Discounts page for details.

## Housing

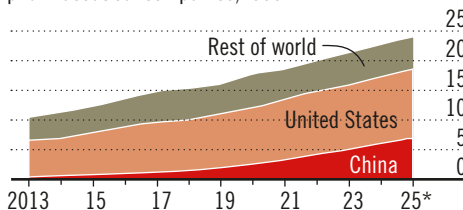
US, housing affordability\*, share of population, %  
PITI† as % of income



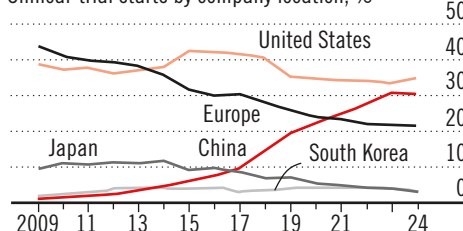
\*Population-weighted by county  
†Principal, interest, taxes and insurance, 10% down-payment  
Sources: Zillow; Census Bureau; FRED; Insurance Information Institute; *The Economist*

## Drug Development

Innovative drugs in development by  
pharmaceutical companies, '000



Clinical-trial starts by company location, %



Sources: Citeline; Iqvia Institute



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Deputy Director – Investments  
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