



The ADVISOR

TEACHERS, EMPLOYEES, and JUDICIAL



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SERVING OVER 350,000 MEMBERS

February 2018

Why the RSA Fights with Most Governors

BY DAVID G. BRONNER

Decades ago, an elected state employee on the ERS Board of Control asked me, “Why are we always fighting with Governors?” The answer was really quite simple.

You and I elect a governor to manage and solve state problems. That is done with the help of the governor’s staff and other elected officials. Unfortunately, two of the state’s current problems, prisons and mental healthcare, are the same two problems Governor Wallace had over four decades ago! As I have often stated in speeches, “Ideas without money remain ideas.”

Alabama’s governors have a time frame of four years, maybe eight, to do something positive or face being replaced. Your pension staff is totally the opposite. Our job is to make sure a twenty-something-year-old public employee has a pension thirty plus years in the future!

State finance directors have an extremely different job in Alabama. Their responsibility is to make the governor look great by solving decades-old problems, and that requires money. But where is the money to do so? More often than YOU should like, RSA’s billions look like an easy solution. If politicians ever get their hands on RSA’s money, YOUR pension will be on life-support like Illinois, New Jersey, and Kentucky.

Make no mistake; the RSA has been the nation’s leader in doing its best to help our state. A couple of governors have properly utilized RSA abilities to help Alabama. We are working with Governor Ivey to help in any way we can to keep your money safe. ●

Finance Director’s Power Play FAILS

BY DAVID G. BRONNER

Over the past few decades, numerous finance directors have not appreciated the work done by the RSA and its staff. One finance director actually sent his resignation letter to me, but I informed him that was not permitted by law. Why? I requested State Police guard the State Capitol in the late 1970s after learning that the State Treasurer’s office was holding \$87 million in “Bearer Bonds.” This is identical to having possession of gold or silver. Security was provided by one senior citizen without police certification, while only being insured for \$10 million.

Most finance directors try to help their governor be successful, while others have simply tried to feather their own nest. Our current finance director, Mr. Clinton Carter, has made several attempts to harm the RSA. He has tried to take the University of North Alabama employees out of the RSA in favor of a 401(k) plan, and tell RSA staff how to invest your money, just to name a few.

SPECIAL THANKS TO ALABAMA’S ATTORNEY GENERAL, Steve Marshall, for correctly interpreting the law and refusing to agree to Mr. Carter’s latest attempt to hurt the RSA. Mr. Carter wanted the Finance Department to have control over RSA assets invested in Alabama – YOUR office buildings, YOUR hotels, YOUR future.

Many state courts and the Alabama Supreme Court have ruled numerous times in favor of the RSA as to who is in charge of RSA assets. In the 1980s, RSA members were able to have legislators and the public support a constitutional amendment protecting RSA assets.

All RSA members must make elected officials understand how important YOUR pension is to YOU! ●

Links Magazine Lists RTJ Trail

Recently, *Links Magazine* designated three Robert Trent Jones Trail golf course sites as *Links Premier Properties in Alabama*.

■ **The Colony at the Grand | RSA**
Fairhope, Ala.: colonyatthegrand.com

■ **Greystone Golf & Country Club**
Birmingham, Ala.: greystonecc.com

■ **Kiva Dunes**
Gulf Shores, Ala.: kivadunes.com

■ **National Village | RSA**
Auburn/Opelika, Ala.: nationalvillage.com

■ **Peninsula Golf & Raquet Club**
Gulf Shores, Ala.: peninsulagolfclub.com

■ **Ross Bridge | RSA**
Hoover, Ala.: rossbridge.com

■ **Shoal Creek**
Birmingham, Ala.: liveatshoalcreek.com



Alabama's Government Needs More Money

BY QUIN HILLYER, YELLOWHAMMER NEWS

Unless and until shown otherwise with actual facts and details, this column will make the case that much of Alabama government is underfunded.

Even to type that sentence above is to subject myself to an extreme fingernails-across-chalkboard sensation, because I'm a hardline fiscal conservative and, personally, a proud skinflint in many situations. Still, facts always must trump ideology. The very abbreviated version of an overflowing bushel of facts goes like this:

First, new reports show that Alabama actually spends less (inflation-adjusted) per child on education now than it did in 2006, and particularly less on actual teaching expenses rather than on transportation or "other" expenses. Granted, interim state superintendent Ed Richardson rightly says that the state school bureaucracy is bloated, so there are presumably ways to shift money around – but even so, our funding levels are still among the 12 lowest in the nation – and our educational attainments are among the eight worst in the country, and by another measurement among the six worst with an overall grade of 'D+'. And education is one of the areas of government that is least underfunded in Alabama.

Second, our mental health care, especially (but far from exclusively) in

the prison system, is so inadequate that a federal judge this year wrote that it violates the Eighth Amendment prohibition against "cruel and unusual punishment" and ordered "both immediate and long term" relief. And even apart from mental health treatment, Alabama prisons are seriously overcrowded and underfunded, by every measure I've seen.

Third, the General Fund budget for the current fiscal year is being balanced only by a special infusion of \$105 million, for Medicaid, from the BP oil-spill settlement. Without that onetime funding source (which will not be available in future years), the state will start fiscal year 2019 with more than a \$100 million Medicaid spending gap – and with Medicaid costs growing much faster than inflation, that gap is likely actually to be much bigger. Much of that spending is, in effect, federally mandated.

Fourth, District Attorneys across the state have faced repeated budget cuts or tightening in recent years; the number of state troopers, even after a slight bump approved for this year, still trails significantly below what it was just eight years ago; and courts and state pensions also are seriously underfunded.

These are all essential functions of state government. None of them are extravagances. All are able to be compared

with spending levels in other states – to show that Alabama's needs for greater revenue aren't due just to "poor management" or "waste, fraud, and abuse," but instead are objectively demonstrable.

Finally, President Trump's Administration is repaying Alabama's strong support for him with a slap in the face, by threatening to take away one major source of existing funding from ongoing offshore mineral revenues. He probably won't succeed in doing so – but if he does, Alabama's funding crisis will get substantially worse.

None of this is to say that better management can't achieve savings here and there. Indeed, our lawmakers and administrators must do an even better job of "scrubbing the budget" (to use a phrase made popular by a former, conservative Louisiana governor). Still, nobody yet has shown the slightest evidence that we can find enough spare change from better management to come close to meeting these ongoing needs without some new revenue source.

We'll explore all this in greater detail in coming months. For now, though, please start internalizing the evidence: Alabama's government, for essential services alone, needs more money. Period. ●

10 States Where the Most People are Moving (and Leaving)

SOURCE: DOUGLAS A. MCINTYRE, 24/7 WALL STREET

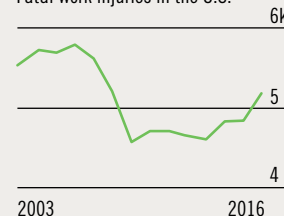
The state-by-state data show where people are "MOVING IN" and the "MOVING OUT" states.

- | | |
|--------------------|-------------------|
| 1. Vermont | 31. Illinois |
| 2. Oregon | 32. New Jersey |
| 3. Idaho | 33. New York |
| 4. Nevada | 34. Connecticut |
| 5. South Dakota | 35. Kansas |
| 6. Washington | 36. Massachusetts |
| 7. South Carolina | 37. Ohio |
| 8. North Carolina | 38. Kentucky |
| 9. Colorado | 39. Utah |
| 10. Alabama | 40. Wisconsin |

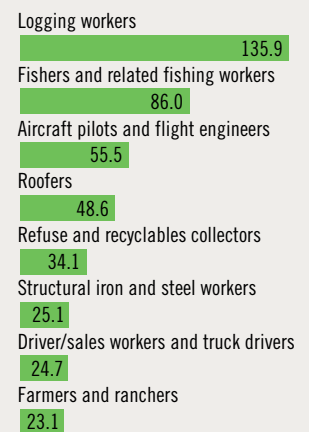
Work Injuries

On-the-job suicides and homicides last year drove workplace fatalities to their highest number since 2008, according to federal data released on Dec. 19. Logging remains the deadliest occupation.

Fatal work injuries in the U.S.



Fatal work injuries per 100,000 full-time-equivalent workers in 2016



Source: Bureau of Labor Statistics

Alabama's Rural Hospitals Are Critical

BY DR. DONALD E. WILLIAMSON (FORMER STATE HEALTH DIRECTOR)

Alabama's rural communities are great places to live and work and are home to 40 percent of the state's population. In fact, 53 of Alabama's 67 counties are considered rural.

Alabama is also home to 51 rural hospitals, facilities that are open 24 hours a day, seven days a week. They deliver an impressive array of services, including emergency, primary, chronic, and long-term care. Many also offer home health care, hospice care and assisted living, along with other services. They treat more than 560,000 patients in the emergency departments every year and deliver approximately 6,500 babies annually.

Rural hospitals not only contribute to the health and wellness of their local residents, but also to the overall strength of the community's economy. Hospitals are usually one of the largest employers in their counties. In fact, nearly 15,000 people are directly employed by Alabama's rural hospitals, and every hospital job creates additional jobs in the local area. Fourteen percent of total employment in rural areas is attributed to the health care sector...I would like to take this opportunity to thank the

thousands of men and women employed by our rural hospitals. They are neighbors helping their neighbors, hard-working individuals who strive to ensure that every Alabamian receives the right care, at the right place, and at the right time.

Rural hospitals across the country are facing many challenges, and Alabama's hospitals are no exception. A high uninsured rate and a population with chronic conditions, such as diabetes, coupled with lower-than-average reimbursement rates have created a fragile health care system, especially in rural communities.

Since 2011, six rural hospitals have closed, and changes currently being considered in Montgomery and Washington, D.C., continue to threaten the viability of access to care in rural Alabama. Rural hospitals are a tremendous asset to our state's economy, to the communities they serve, to the patients they care for, and to the people they employ. They are a vital part of Alabama's health care infrastructure, and we are committed to their future. ●

The Alabama Bicentennial Schools Program

The Alabama Bicentennial Commission encourages all K-12 schools to participate in the celebration of our state's 200th birthday. By filling out the form located on the Alabama Bicentennial Schools webpage at www.alabama200.org/educators/bicentennial-schools/ every educational entity can receive a commendation suitable for framing and display in their school. Schools will also receive a flag that has been specially designed for the bicentennial.

Schools desiring to achieve bicentennial school status must develop a proposal that engages in community outreach and improvement projects to connect their classrooms with their local communities. These connections foster an appreciation for the vital role of civic engagement in the life and work of a strong community and state.

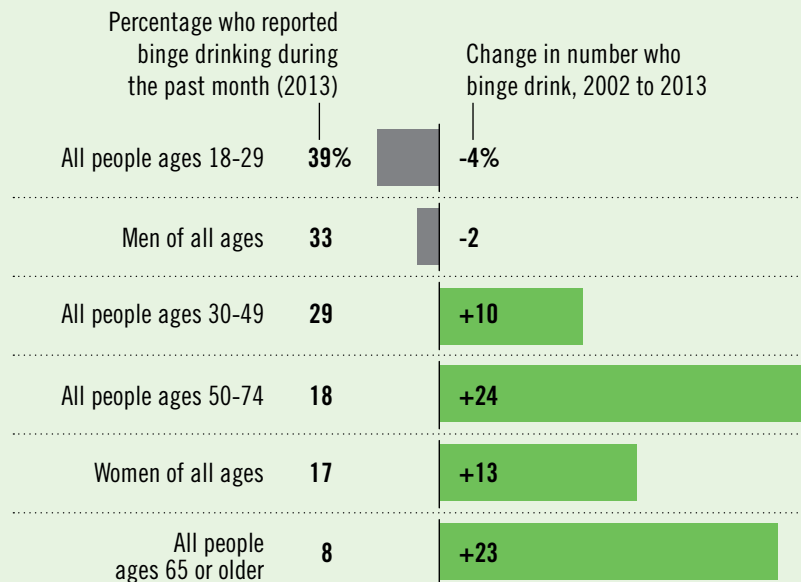
Schools selected for the Alabama Bicentennial School designation will receive a \$2,000 grant, to be awarded with the designation. These grants are designed to support the implementation of successful bicentennial projects and activities. Participating schools will also receive the *Bicentennial Schools Toolkit*. The *Toolkit* is a helpful resource that includes the logo in various formats, brand guidelines for usage, and potential projects for your school/community. ●

ALCOHOL

For all the deserved attention the opioid crisis gets, alcohol overuse remains a persistent public health problem and is responsible for more deaths, as many as 88,000 per year. While light drinking has been shown to be helpful for overall health, since the beginning of this century there has been about a 50 percent uptick in emergency room visits related to heavy drinking. After declining for three decades, deaths from cirrhosis, often linked to alcohol consumption, have been on the rise since 2006.

Having More to Drink

A government survey finds women and older Americans are binge drinking at much greater rates. In this study, binges are defined as five or more drinks on any one occasion for both men and women.



Source: analysis of National Survey on Drug Use and Health data by: Richard Gruza, Washington University in St. Louis

THE NEW YORK TIMES

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

RETIREMENT SYSTEMS OF ALABAMA
201 SOUTH UNION STREET
P.O. BOX 302150
MONTGOMERY, ALABAMA 36130-2150

PRSR STD
U.S. POSTAGE
PAID
MONTGOMERY, AL
PERMIT NO. 402



Member Hotel
Discounts Webpage

ENJOY YOUR WINTER/SPRING
A Special Deal
FOR RSA MEMBERS

The Battle House,

A Renaissance Hotel—Mobile—\$119

- February 4-6, 14-26 • March 1-6, 11-31
- April 1-5, 8-12, 15-25, 29-30

The Renaissance Riverview Plaza—Mobile—\$109

- February 4-7, 14-18, 25-28
- March 1, 11-15, 21-22, 24-29, 31
- April 1-5, 8-12, 15-26, 29-30

Marriott Grand—\$127 plus a 15% resort fee

- February 1-7, 10-15, 18-21, 25-26
- March 4-5, 14-15, 18-19, 25-26
- April 1-2, 11, 15, 22-23, 28

Marriott Grand—RSA Golf Package—\$199
plus a 15% resort fee —Promotional code—R2A

Includes: Deluxe Room, One Round of Golf for Two People.

Call for Tee Times after booking package

- February 1-7, 10-15, 18-21, 25-26
- March 4-5, 14-15, 18-19, 25-26
- April 1-2, 11, 15, 22-23, 28

Marriott Shoals—Florence—\$109

- February 2, 4, 7-8, 11, 14-15, 18, 21-22, 25-26, 28
- March 1, 4, 9, 11, 18, 25 • April 1-2, 5, 7-9, 15, 22, 29

Renaissance Ross Bridge—Hoover—\$119

- February 1, 3-8, 11-15, 18-21, 25-27
- March 3-5, 7-8, 11-15, 18-23, 28-31
- April 1-4, 7-12, 15-18, 22-30

Opelika Marriott—\$109

- February 4-5, 8-11, 15, 18, 25-26
- March 8, 11-12, 15, 18-19, 22, 25-26, 29
- April 1-4, 8, 15-16, 22-23

Prattville Marriott—\$89

- February 1, 4-5, 8, 11, 15, 18-19, 25
- March 3, 11-12, 18-19, 25
- April 1-2, 8-9, 15-16, 19, 22, 29-30

Renaissance Montgomery—\$119

- February 8, 18 • March 1, 18, 24-31
- April 1-2, 5, 7-8, 29-30

RSA Spa Package—\$199—Promotional code—R2A

- February 8 • March 1, 24, 27-31
- April 5, 7

Specific room requests may require additional charge.
Rates available the 1st of the month and
are not applicable to groups.

800-228-9290 Ask for RSA rate. **Promotional Code: R2A** on www.rsa-al.gov
Book Online and Save RSA \$4.

RSA-1 DEFERRED COMPENSATION Keep your Beneficiary Designation Current

It is important to keep your beneficiary designation up-to-date. Please review your beneficiary designation by logging into your RSA-1 account at <https://mso.rsa-al.gov>. If your beneficiary's contact information requires updating or if you wish to change your beneficiary designation, either:

- Complete the RSA-1 Beneficiary Designation form located under the RSA-1 Publications and Forms webpage at www.rsa-al.gov, or
- Request the form be mailed to you by calling RSA Member Services at 877.517.0020.

Should you have any questions regarding your beneficiary designation, please do not hesitate to contact us. A representative will be happy to assist you.

WANT TO HELP?



**A FREE
CAR TAG**

Tired of that worn-out dealer tag on the front of your car? Would you like to help the RSA and our Alabama Tourist Department advertise "Alabama's Robert Trent Jones Golf Trail" on your front bumper? If so, call to request a tag at 334.517.7000 or 877.517.0020, or write:

Tag, P.O. Box 302150, Montgomery, AL 36130-2150



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