



## Gov. Ivey Restores the ERS Board to the Members

BY DAVID G. BRONNER

It would be easy for me to talk for hours about the elected officials that stood tall and strong to save the RSA over the past four decades. Equally, I could tell real stories about those who tried to remove your staff and hurt our investments – all in order to get their hands on your money.

Former Governor Bentley wanted the RSA staff to do his bidding, but we

refused. That refusal resulted in six years of “survival training” in Montgomery politics. I have often stated that the ERS Board needed to be like the TRS Board, which is controlled by the members of the TRS.

I am delighted to report that Governor Kay Ivey has executed a non-political, non-drama selection process for her three appointees, as well as the Finance Director, for the ERS Board. Thank you Governor for your leadership in allowing public

employees to control their money.

The ERS Board of Control has elected Mr. Jim Fibbe, Retired Local Employee Position, as its new Vice Chair. Mr. Fibbe is the first local government employee to be elected Vice Chair. Governor Kay Ivey is the Chair, although only two governors have ever attended a board meeting. Thus, the Vice Chair is critical to the operations of the ERS. ●



## The 2019 Regular Legislative Session Update

BY NEAH SCOTT, LEGISLATIVE COUNSEL

The 2019 Regular Legislative Session ended on May 31, 2019, and was a very positive session for the RSA and its members. As it has always done, the Legislature ensured that the ERS and TRS were fully funded by setting the actuarially-determined employer contribution rate in the General Fund and Education Trust Fund budgets. This full funding has ensured the RSA stays healthy and is able to continue paying out hard-earned benefits to its members.

In addition, for the third session in a row, no pension reform legislation was introduced. Instead, the Legislature focused on improvements to the RSA that would benefit members, while ensuring the continued sustainability of the systems.

Three bills of note were enacted that will impact the RSA: PLOP bill, Local Tier I bill, and Special Needs Trust bill.

- **First, the PLOP bill** (Act 2019-316) by Rep. Baker will provide an additional option at retirement for RSA members, who will be able to take up to 24 months of the maximum retirement benefit as a lump sum. Then, the member’s retirement benefit will be actuarially reduced by a like amount. The RSA is working to implement this option, which will be available to members that retire on or after **October 1, 2019**.

- **Second, the Local Tier I bill** (Act 2019-132) by Sen. Waggoner and Rep. Ledbetter will allow local government employers that participate in the RSA, such as cities and counties, to provide Tier I benefits to Tier II members. Local employers have two years to make this election. The RSA is working with its actuaries to run cost estimates for all 874 of its local units

so that local governments have the information needed to make such an important decision.

- **Finally, the Special Needs Trust bill** (Act 2019-221) by Sen. Ward will allow payments for a member’s beneficiary to be paid to a special needs trust. Under current law, beneficiary payments may only be made to individuals, which has caused some issues for special needs beneficiaries.

Visit the RSA legislative website, <https://www.rsa-al.gov/about-rsa/legislation/>, for more updates about the implementation of these bills. ●

# The New York Post Writes About RSA/55 Water St.

BY STEVE CUOZZO | NEW YORK POST

Manhattan's largest office building doesn't enjoy a sexy public profile, but it sure knows how to charm new tenants. A 270,000-square-foot lease at 55 Water St. with digital-payroll and benefits systems specialist Justworks is among the year's largest corporate moves – and sets the 53-story behemoth back on the path to full occupancy after a few big defections.

Justworks' relocation from the Starrett-Lehigh Building in West Chelsea leaves only about 400,000 square feet available at 55 Water, said Howard Fiddle, leader of a CBRE leasing team. "Only" might sound ridiculous for such a block anywhere else, but 55 Water St. has nearly 4 million square feet – making it the nation's second-largest office address by floor space since the Twin Towers were destroyed on 9/11 (only Chicago's Willis Tower has more). "We have more demand than available space," Fiddle said. He added that he's "trading paper" with several large possible tenants.

The Retirement Systems of Alabama, which oversees three pension funds, bought 55 Water St. from developer Olympia & York in 1993. It has since invested hundreds of millions of dollars to upgrade it and keep it competitive. The property is valued at around \$1.8 billion and reels in a reported \$155 million in rent revenue annually.

But the pension funds' real estate arm, New Water Street Corporation, had to



scramble to save 55 Water from ruin after Superstorm Sandy flooded its lower floors in 2012. The project involved pumping more than 32 million gallons of seawater out of the first three floors and lower level – and succeeded in getting the building reopened in under a month. Since then, the tower's mostly institutional tenancy evolved to include fashion and media. Hugo Boss moved its corporate offices there in 2014 – coincidentally also from the Starrett-Lehigh Building. S&P Global is the largest tenant with almost 1 million square feet.

"Our new-economy type tenants like the large floors and proximity to Brooklyn," Fiddle noted. "A few years ago, a company like Justworks wouldn't have considered 55 Water St." In a market that favors buildings either brand new or atmospherically aged, 55 Water St. had to overcome its 1973 aura. The tower stands

on Manhattan's most charmless office corridor. Plans to beautify Water St. and improve its dull retail mix have yet to go anywhere. The lobby of 55 Water St. still has a cold feeling despite adding a coffee stand for tenants only and new windows facing a small park on its south side.

But 55 Water St. has great strengths to offset the negatives. Asking rents of around \$58 a square foot are a bargain over those in Midtown or newer towers downtown. While 65,000-square-foot floors are scarce elsewhere, "we have 50 of them," Fiddle chuckled. Plus, the beautifully landscaped, third-floor Elevated Acre overlooking the East River is one of the city's finest privately owned public parks, open to everyone and now home to an alfresco bar and grill.

A year ago, 55 Water faced having more than 700,000 square feet to fill. But the owners drew on its assets to swiftly refill much of it. A big breakthrough came when EmblemHealth, which had considered moving, re-upped in May on 440,000 square feet as *The Post's* Lois Weiss first reported.

The Justworks move is also good news for the downtown market as a whole, where availability fell by 0.3 percentage points, to 11.6 percent, in May, according to Colliers International's Market Snapshot. ●

## Amazing Alabama

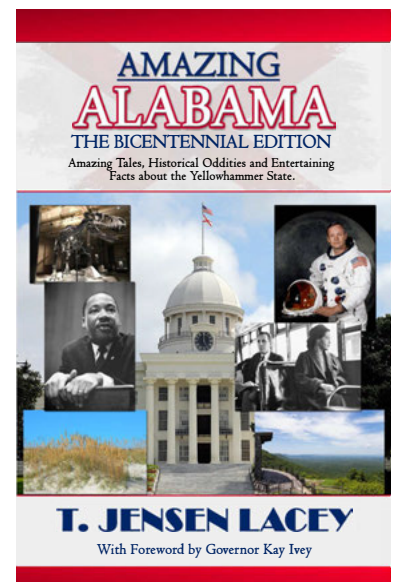
THE BICENTENNIAL EDITION

BY T. JENSEN LACEY

With the release of "Amazing Alabama: The Bicentennial Edition," T. Jensen Lacey covers all 67 counties with fascinating details, historical oddities, and captivating tales about Alabama – designed to be a "tour-able history" with a full digital section with links to sites and attractions within the state.

With a foreword by Gov. Kay Ivey, Lacey's book is available in kindle, paperback, and hardback editions via Amazon and <https://tjensenlacey.com/>. Become an Alabama expert! Wow your friends with little-known but fascinating information about this incredible, diverse state. The 4th in Lacey's "Amazing America" series, "Amazing Alabama: The Bicentennial Edition" has been listed by AL.Com as one of the 10 most important books to read this bicentennial year.

(Editor's Note: Author Lacey is an English teacher at Robertsdale High School. The RTJ Trail is included starting on page 181.) ●



# Alabama Success Stories

## The Alabama Village

The American Village is a national treasure. It serves as a unique American history and civics education campus created to inspire young people (and others as well) to make powerful connections to our shared legacy of liberty and self-government, as a preparation for their own individual service as American citizens and leaders.

Since opening twenty years ago, the American Village has engaged over 700,000 visitors, including school students from every county in Alabama and from surrounding Southeastern states. When they set foot on campus they become immersed as firsthand participants, personally caught up in the excitement and drama of America's revolutionary experience. Their attention is riveted to an unlikely focus: America's journey for independence and liberty.

On a typical school day, young learners take risks in colonial Boston, prepare to debate Patrick Henry's Virginia Resolves for independence, enthusiastically drill in Washington's Army at Yorktown, and serve as delegates to the Constitutional Convention at Philadelphia.

The American Village has earned national acclaim for its educational programs, including recognition for excellence in law-related education from the American Bar Association.

In addition to programs for Pre-K through 12th grade students, the American Village offers a daily *public* program as well as special events on Memorial Day,

Independence Day, and Veterans Day. They also host private events.

Its 188-acre campus in Montevallo includes replicas of some of America's most treasured places – Mount Vernon, Williamsburg's Colonial Courthouse, and Bruton Parish Church, the White House East Room and Oval Office, and Concord



Bridge. The most recent addition to the campus is the National Veterans Shrine and Register of Honor, an extraordinary building and unique database that honors America's veterans and tells their stories of service and sacrifice.

American Village founder and president Tom Walker said, "Although our campus is exceptional, the American Village is not about its buildings; it is about building in the hearts and minds of visitors a sense of stewardship of what George Washington called "the sacred fire of liberty." This place is truly a national treasure that is doing important work for our country's future by helping build good citizens and leaders."

In just seven short years — on July 4,

2026 — America will celebrate its 250th Birthday (or Semiquincentennial). Tom Walker is Vice Chair of the United States Semiquincentennial Commission and charged with planning the National celebration. His appointment, and the vital work of the American Village these past twenty years in holding high the lantern of liberty, shine a positive light on Alabama. Walker and his staff at the American Village encourage you to visit and see for yourself this unique treasure in the heart of Alabama.

Walker said, "We aspire for our visitors to leave better informed, but equally we want them to be moved and emotionally engaged and empathetic with the stories of the people of the past. We want them to talk about their experiences at their supper table back home, to take something back with them and incorporate it into their personal and civic lives."

The American Village is open to the public. Summer hours (through July 31) are Tuesday-Saturday, 10 a.m. to 4 p.m. (Closed July 3rd and 5th). Regular hours are Monday-Friday, 10 a.m. to 4 p.m. Regular admission is \$10 for adults, \$9 for seniors and youth. Summer admission (including Independence Day) is just \$5. Veterans, active military, and children ages 4 and under are free.

Visit [www.americavillage.org](http://www.americavillage.org) for details on current programs. The American Village is located at 3727 Highway 119 in Montevallo. Take I-65 exit 234 and follow the signs. ●

## Alabama Student Loan Debt in Top 10

BY WILLIAM THORNTON | AL.COM

Experian is out with an analysis that says Alabama is among the top 10 states in the nation with the largest five-year increase in student debt. According to the consumer credit reporting firm, the average student loan debt in Alabama is \$35,674. That's an increase of 3.3 percent from 2018, but it's a whopping 30.9 percent increase over the last five years.

According to Experian, Americans carry an average of \$35,359 in student loan debt. That represents a 26 percent increase in five years and a 2 percent increase compared with the first quarter

of 2018. A survey last year found Alabama 9th in the nation among states where the debt loads of public college graduates are the highest, and one of only five states where average debt exceeds family income.

Drill down to the local level, and five Alabama metro areas are among the top 50 in the nation with the highest average student debt. [...] At No. 11 is Montgomery, with an average of more than \$42,000 in student debt. That amount has grown 7.1 percent over the last year. Tuscaloosa checks in at 15, with almost \$41,000 of

debt. At 40 is Huntsville, with around \$38,000, followed closely by Birmingham at No. 41, and the Auburn-Opelika area checks in at No. 48 with \$37,800 in debt. Of the top 50, 26 metro areas were located in the South.

For perspective, the New York City area, which also encompasses parts of New Jersey and Pennsylvania, ranks 27th with about \$39,700 in debt. Nationally, student debt ranks behind mortgage debt, representing \$1.4 trillion of the economy. A decade ago, student loan debt accounted for \$650 billion. ●



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<b>Marriott Shoals—RSA Spa Package—\$210</b> • July 7, 14, 21 • August 4, 11, 29 • September 2, 8, 15, 22, 29
<b>Renaissance Ross Bridge—Hoover—\$119</b> • July 1-2, 7-11, 15-18, 21, 23, 28 • August 4-8, 11-15, 19-21, 25-29 • September 2-5, 8-9, 15, 18, 22
<b>Ross Bridge—RSA Spa Package—\$223</b> • July 1-2, 7-10, 15-17, 21, 23, 28 • August 4-7, 11-14, 19-21, 25-28 • September 2-4, 8-9, 15, 18, 22
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<b>Auburn/Opelika Marriott—RSA Spa Package—\$201</b> • July 1-4, 7, 10, 14-18, 21-24, 28-31 • August 5-7, 11-14, 18-22, 25 • September 3-4, 8-11, 15-18, 22-25, 29-30
<b>Prattville Marriott—\$89</b> • July 1-3, 7, 14, 21 • August 4, 11, 18, 29 • September 29
<b>Renaissance Montgomery—\$119</b> • July 1-3 • August 2-5, 12, 18 • September 1-3, 22 RSA Spa Package— <b>\$209—Promotional code—R2A</b> • July 2-3 • August 2-3 • September 3

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## New Governor Appointees to the ERS Board

**V**ice Chair Jim Fibbe delivers the Oath of Office to new ERS Board members Lt. David Colston, ALEA, and Ms. Tammy Rolling, ADECA.



- CEO**  
David G. Bronner
  - Deputy Director**  
Donald L. Yancey
  - Executives**
  - Communications**  
Michael E. Pegues
  - Chief Accountant & Financial Officer**  
Diane E. Scott
  - Employees' and Judicial Retirement**  
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  - Field Services**  
Christopher C. Gallup
  - Information Technology Services**  
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R. Marc Green
  - General Counsel**  
Leura G. Canary
  - Legislative Counsel**  
Neah M. Scott
  - Member Services**  
Penny K. Wilson
  - PEEHIP**  
Donna M. Townes
  - RSA-1**  
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  - Teachers' Retirement**  
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