



The ADVISOR

TEACHERS, EMPLOYEES, and JUDICIAL



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SERVING OVER 358,000 MEMBERS

May 2019

Marriott picks Mobile Property as Hotel of the Year



Riverview Renaissance Plaza

- Marriott International says RSA's Riverview Renaissance Plaza hotel in Mobile has won top internal honor among Marriott's North American properties.
 - According to Marriott, the Riverview has been picked as the 2018 Marriott Franchise Hotel of the Year among Marriott's Distinctive Premium Hotels in North America.
- Its Hotel of the Year honors are based on a review of "guest satisfaction surveys, employee opinions, financial records, market share, event satisfaction, and overall property performance." ●

Shockingly Impressive

BY DAVID G. BRONNER

Watching and working with elected political leaders from New York City to Montgomery and all around Alabama, it is sometimes difficult to understand why certain things do or do not happen, or why some problems are not resolved when common sense says solve that issue for the good of Alabama.

For decades, solving important issues has been in the form of a circular firing squad. Maybe I am getting too optimistic in my old age, but I could not be more excited watching our current legislators and Governor Ivey work together to solve the problems that have plagued Alabama since my first meeting with Governor Wallace in the 1970s.

I have stated for decades now that, "low taxes are great, but having the lowest taxes is simply dumb." We must have **reasonable** revenue to provide the quality of life this great state and its people deserve in order to adequately compete with the world. We cannot do that if we are last in revenue out of the ten southern states. Just tying ninth-place Tennessee would give us \$600 million more to solve some of our state's fiscal problems.

We should not expect Governor Ivey and this Legislature to solve nearly a dozen major problems of our state in just one year. However, it is an absolute treat to see the progress made by our political leaders working together to make Alabama what it can be for us and our children. The gas tax was critical for industrial growth; now we must focus on and solve the problems with our prison system. ●



RSA Legislative Update

BY NEAH SCOTT, LEGISLATIVE COUNSEL

Since reconvening, the Alabama Legislature has worked on a number of RSA-related bills, including a bill by Rep. Baker, which would create a Tier III for TRS members as of October 1, 2020. This Tier III would be an improvement in retirement benefits when compared to Tier II.

Tier II members would be automatically switched to Tier III, but would have the option to go back to Tier II. Tier III would improve upon Tier II in three ways: (1) increase the benefit multiplier from 1.65% to 2.00%; (2) allow 30-year retirement; and (3) allow sick leave conversion.

This change would increase costs to employers, but members would also pay 1.5% more of their paychecks to fund the increased benefit.

Additionally, the Senate has approved SB147 by Sen. Waggoner, which would allow local governments that participate in ERS to elect to provide Tier I benefits to their Tier II members. This bill now moves on to the House for consideration. A companion bill, HB61 by Rep. Ledbetter, has already passed out of the House committee.

Finally, the Senate Governmental Affairs committee gave favorable reports

to SB57, which would allow beneficiary payments to be made to special needs trusts, and SB206, which would provide a one-time bonus to ERS retirees, both by Sen. Ward. SB206 would provide a one-time bonus to ERS State retirees in the amount of \$2 per month of service with a \$300 minimum. Local governments that participate in ERS can elect to provide this bonus to their retirees.

Check out RSA's legislative webpage for weekly summaries and our bill tracking chart. <https://www.rsa-al.gov/about-rsa/legislation/>. ●

Alabama's Public Pension Fund Growth and Economic Expansion Since 1973

The significant role the Retirement Systems of Alabama (RSA) has played in Alabama's growth during the past 45 years is now showcased in a book authored by a Jacksonville State University emeritus professor who has been chronicling the state's economic development for 35 years.

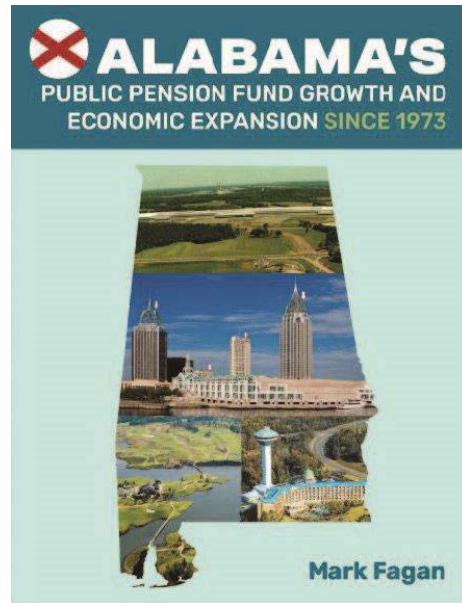
Alabama's Public Pension Fund Growth and Economic Expansion Since 1973 by Mark Fagan highlights how the RSA has grown assets and helped expand the state's economy through investments for its 358,000 public teachers and employees.

Starting with \$600 million in 1973, RSA funds reached \$43.8 billion in 2018 while earning \$52 billion in investment income and paying \$51 billion in benefits.

Since 1993, the RSA assisted in Mercedes-Benz and Airbus setting the foundation for the state's automotive and aerospace industries. It developed a massive railcar assembly plant and facilities for hosting Alabama's Internet Exchange. The book includes how the RSA worked to develop companies specializing in chemicals, wood pulp, steel, metals, maritime, and technology.

Readers will find information about

The Robert Trent Jones Golf Trail and RSA's alternative investments, including TV stations and newspapers throughout the U.S. and real estate investments in



Alabama and New York City. Details show how the RSA diversified assets and stimulated Alabama's economy, created higher paying jobs, and increased tax revenue.

The book serves as a memoir of RSA CEO Dr. David G. Bronner's activities

in leading the state's retirement system and preserves information for future generations.

"Dr. Fagan has done a marvelous job of chronicling the events at the RSA over the last 45 years and the impact of these events on Alabama," Bronner said. "He presents me as the focus of these efforts and has included many photos of me as the head of RSA. However, **the credit for the progress in Alabama goes to the many RSA Board members, RSA staff members, public teachers, and public employees who contributed time and energy to the state.**" ●



Mark Fagan

The book can be purchased at <https://store.bookbaby.com/profile/MarkFagan>.

Making College Bet Pay Off

BY DOUGLAS BELKIN, *THE WALL STREET JOURNAL*

About 40% of students who enroll in four-year colleges and universities don't graduate within six years, according to new data from the Department of Education.

A closer look at that and other data, including student loan levels, shows how deciding what to do after high school has become an increasingly high-stakes gamble.

Students who attend some college but don't earn a degree fare the worse economically, the data show. They emerge without a degree and with debt.

College graduates, on average, still earn about \$1 million more than their high school educated peers over the

course of their lifetimes, the data show, but their outcomes vary widely. Even 10 years after graduation, 32% of college graduates end up with jobs that don't require a college degree, according to studies by Burning Glass Technologies.

As student loan debt passes \$1.5 trillion and the number of Americans severely behind on federal student loans continued to rise, these risks are becoming more apparent. Recent graduates with debt owe, on average, more than twice as much as they did 20 years ago, according to the Institute for College Access and Success.

These risks have prompted a growing number of families to purchase tuition

insurance to hedge against students dropping out midsemester. They have also sparked a renewed interest in vocational education and apprenticeships. Some start-up schools don't offer an accredited degree but teach skills like coding that can lead to in-demand jobs in technology.

Students entering college should be sure they have the wherewithal to finish, pick a major that is likely to prepare them for a solid career and avoid taking on too much debt, school administrators say. ●

Alabama Success Stories

The Environmental Studies Center

Mobile County Public Schools

BY DR. TRACY H. JAY, DIRECTOR

Nestled among the subdivisions and strip malls in western Mobile County is one of the most unique assets of the Mobile County Public School System. Since its inception in 1973, the Environmental Studies Center (ESC) has provided unique, hands-on experiences for the school children and citizens of Mobile and surrounding areas. The mission of the ESC is to develop and implement environmental education programs that engage students of all ages in investigative encounters and discovery experiences. These opportunities are designed to encourage sound environmental decision making and responsible environmental stewardship.

Instead of computers and textbooks, the Center features native wildlife, plants, and diverse habitats as mediums for teaching. The Center sits on 500 acres that include: a carnivorous plant bog, a twenty-acre lake, pine-land savannah, hardwood bottomland, and upland pine forest with nature trails to explore throughout.

Another feature unique to the ESC is a state-certified wildlife rehabilitation center serving over 600 wild animals per year. Animals that are rehabilitated from injuries or other health issues but are not able to be released are housed on display for educational purposes. The Center also houses seven bee hives and employs a Master Beekeeper to educate about the importance of pollinators.

There are only seven staff members

on site, yet they provide a wide range of student learning experiences correlated with State and MCPS science standards, in-service experiences for teachers, and classroom teaching resources that



enhance student achievement and teacher performance. Outreach opportunities provided by the Center include shows highlighting wildlife of the Mobile area including raptors and reptiles, and a portable planetarium. Bi-annual Open House activities host the general public to enjoy the ESC and all it has to offer.

In addition to being a part of Mobile County Public Schools, the Center receives funding from the Mississippi Alabama Sea Grant provided by NOAA. On average over 25,000 school children,

teachers, parents, and citizens participate in programs annually. In addition, they process over 3,500 requests annually for information or assistance dealing with environmental issues or animal rescue and rehabilitation.

The staff at the ESC are committed to creating an informed coastal student and citizen that possesses the skills to make sound environmental decisions. Director Dr. Tracy Jay states, "We strive to give our visitors an experience that allows them to learn about our local ecology in order to better protect it. We also want them to have a really great time while they are here. It's a special place to be."

The ESC truly is a unique place to visit. They are open from 8:00 a.m. until 4:00 p.m. Monday through Friday. The public is encouraged to come visit and see why one student recently proclaimed his visit to the ESC as "The best day ever!"

Learn more about the ESC at <https://www.mcpsesc.com>.

[mcpsesc.com](https://www.mcpsesc.com).

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



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

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ENJOY YOUR SPRING/SUMMER A Special Deal FOR RSA MEMBERS

The Battle House,

A Renaissance Hotel—Mobile—\$119

- May 1-2, 7-31 • June 1-5, 9-10, 14-18, 23-30
- July 1-3, 7-12, 21-24

The Battle House—RSA Spa Package—\$207

- May 1-2, 6-9, 13-16, 20-23, 27-30
- June 3-5, 10, 17-18, 24-27
- July 1-3, 8-11, 22-24, 31

The Renaissance Riverview Plaza—Mobile—\$109

- May 1-2, 7, 19-23, 26-30
- June 1-2, 9-12, 15-18, 23-28 • July 1-3, 21-22, 31

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

- May 1, 5, 8-12, 19-22, 28 • June 3, 12, 19
- July 7-9, 23-24, 28-29

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

- May 1, 5, 8-12, 19-22, 28 • June 3, 12, 19
- July 7-9, 23-24, 28-29

Marriott Grand—RSA Spa Package—\$259

plus a 15% resort fee

- May 1, 5, 8-12, 19-22, 28 • June 3, 12, 19
- July 7-9, 23-24, 28-29

Marriott Shoals—Florence—\$109

- May 5, 12, 19, 27 • June 2, 9, 16, 23
- July 7, 14, 21, 28

Marriott Shoals—RSA Spa Package—\$210

- May 5, 12, 19, 27 • June 2, 9, 16, 23
- July 7, 14, 28

Renaissance Ross Bridge—Hoover—\$119

- May 1-2, 5, 8-9, 12-13, 19-20, 27-30
- June 2-3, 9, 12-13, 15-19, 23-27, 30
- July 1-3, 7-24, 28-30

Ross Bridge—RSA Spa Package—\$223

- May 1, 5, 8, 12-13, 19-20, 27-29
- June 2-3, 9, 12, 16-19, 23-26, 30
- July 1-3, 7-10, 14-17, 21-24, 28-30

Auburn/Opelika Marriott—\$109

- May 1, 6, 12-15, 19, 27-29 • June 2-11, 15-18, 22-30
- July 1-3, 7-10, 14-31

Auburn/Opelika Marriott—RSA Spa Package—\$201

- May 1, 6, 12-15, 19, 27-29 • June 2-11, 15-18, 22-30
- July 1-3, 7-10, 14-31

Prattville Marriott—\$89

- May 5, 12, 19, 26-27, 30
- June 2, 9, 16, 22-23, 27, 30
- July 1-3, 7-8, 14, 21, 28

Renaissance Montgomery—\$119

- May 23, 26-27 • June 30 • July 1-3

RSA Spa Package—\$209—Promotional code—R2A

- May 2, 23 • June N/A • July 2, 3

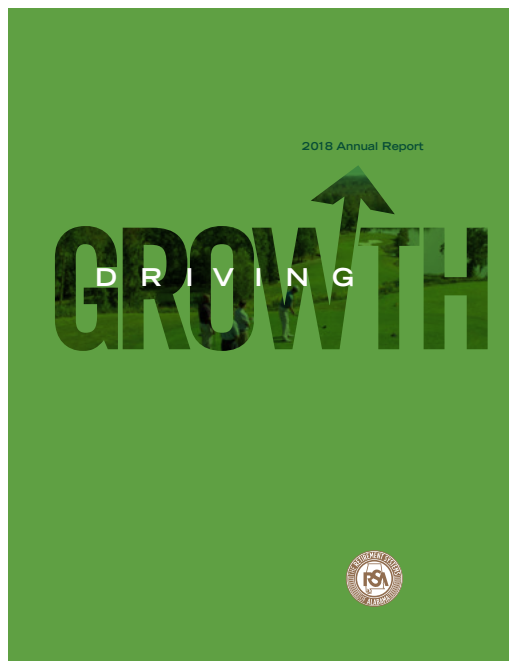
Specific room requests may require additional charge.

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

800-228-9290 Ask for RSA rate. **Promotional
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This report is also on our website.

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