



ADVISOR



TEACHERS, EMPLOYEES, PUBLIC, STATE POLICE AND JUDICIAL

Vol. XXXIV — No. 10

SERVING OVER 325,000 MEMBERS

April 2009



Chicago Tribune Praises RTJ

The *Chicago Tribune* paid homage to Alabama's Robert Trent Jones Golf Trail with nearly two full pages, including six photos, in their weekend travel section.

Some of the highlights:

- Alabama to a tee: Prime season nears for a stunning golf trail that won't put your budget in the rough.
- During the last 15 years, Alabama has become an unlikely, but increasingly popular destination for golf; its combination of world class courses and affordable greens fees at the Robert Trent Jones Golf Trail's 11 sites drawing savvy golfers from across the country.
- The Trail and its individual courses routinely place near the top in golf magazine rankings and not only for affordability, though it is always near the top in the quality category.
- The Grand National resort in Opelika and Capitol Hill in Prattville ranked at the top of *Golf World* magazine's 2009 readers' choice awards. With good reason. The courses are beautiful and challenging at any level, a difficult combination of tough terrain, sand traps and water hazards that are a good but fun test for serious players and recreational golfers alike. ■

RSA Buys Mobile Building

The RSA has purchased the 34-story AmSouth building in Mobile from bankruptcy court for \$6.75 million. The RSA now owns the first and third tallest office buildings in Alabama.

The 1965 building has 280,000 square feet of leasable space, of which 180,000 square feet are currently leased. The building includes a 480-space parking deck. The RSA will use about 100 of those parking spaces for the Battle House Hotel, located directly across the street. The RSA foresees no problem in filling the remaining office space after renovations are complete.

The RSA's other office property in Mobile, the new 35-story RSA Battle House Tower, has all but two floors leased. ■



A Different Solution

By David G. Bronner

Unless "Divine Intervention" is able to solve the Jefferson County sewer debt crisis, then maybe the decision makers should consider a different approach.

The conviction of over 20 companies and individuals with probably more to come makes it seem like never ending corruption in Jefferson County. This has been a major abuse of the citizens of Alabama. Hopefully with this new approach, the citizens of Jefferson County, much like the rest of us who have had to read about their sewer mess on a nearly daily basis for years, can move on to issues that can improve Alabama.

The overall sewer debt is now \$3.9 billion. The vast majority of these bonds are held by five banks, the largest being J.P. Morgan, which is at the heart of this scandal. If bonds were sold to the public with normal integrity that would be one matter, but they were not. These bonds are "soiled" in massive corruption. Normally, bankruptcy should be the absolute last resort, as the *Birmingham News* and a few business leaders believe. With all the corruption, it is absurd to once again punish the taxpayers with a bailout of the bad guys, much less to steal education funds from the kids of Jefferson County.

Because a serious difference of opinion exists on what needs to be done about the bonds, let us consider something different. How about returning to the actual bond agreement itself and live by it. These bonds are not *general obligation bonds*, but *revenue bonds*. There is a vast difference in such a legal obligation. Keep in mind, that many lawsuits against Alabama on this or that subject can last for decades. Consultants and lawyers will try to keep the "money train" going as long as possible.

Because they are *revenue bonds*, here is an idea the Jefferson County Commission should consider: First, reduce the current sewer rates that citizens pay to 15-25 percent above the national average. This is very reasonable because they now pay among the highest rates in the country. That should withstand any legal action. Second, because the bonds are *revenue bonds*, give the bondholders the revenue and nothing more. That is why we call them revenue bonds! Finally, relax and forget about it for awhile. Then sit back and watch the fight between bondholders, bond insurers, and investment bankers who "ripped-off" the taxpayers of Jefferson County in the first place. ■