GERS BOT·s Monthly Meeting 1/26/23

GERS Retirement System (Board of Trustees)

January 26, 2023 · 2.8 hours · gov

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0:00:00 regular board meeting the board of trustees for the month of january 26th the month of january 2023 correction is here by call to order mr naves can have a roll call please present here present present let's see liger uh mr laga indicated that he's been joining us in a few minutes okay trustee mcdonald absent ex-official member richardson absent trustee russell present trustee smith present Chairman Calvert present five present one late one absent thank you um before we get started I'd like to have a motion to add an item number four to the agenda and a regular session um your business that item would be to accept the investment committee's recommendation to implement the revised policy targets as presented by the investment advisor can i get a motion so move moved by trustee smith can i get a second second moved by trustee smith seconded by second barry excuse me trust the trustee barry not voting trustee liger absent trustee mcdonnell absent trustee russell not voting trustee smith yes chairman forward yes three years two not voting two absent thank you uh item number three on agenda do we have comments and suggestions from retirees

0:02:27 okay hearing none do we have comments and suggestions from active members hearing none let's move on to the secretary's minutes for the december 27 2022 meeting are there any corrections or edits to be made to the december 22nd meeting minutes can i get a motion to accept the minutes from the december 22nd seconded by second by Trustee Bowery. Can I have a roll of comments in this?

0:03:40 Bowery? Yes. Trustee Dorsey? Not voting. Trustee Liger? Absent Trustee McDonnell? Absent Trustee Russell? Not voting. Trustee Smith? Yes. Chairman Carwood? Yes. Four years.

0:04:18 Two not voted. Something is wrong here, let's see. okay three yes do not vote it and two accents mr nebs are there any communications on all correspondences no all right item number seven the chairman's report i don't have anything to report um item number eight administrator's report just one question here yes sir chairman you didn't appear that is correct that is correct i did okay and yeah and and i'd like to note that during that appearance a senator reminded you that you work for the legislature and i think that raises serious concerns for the institution and i need i need to get your view of that because to me when i was listening to the hearing i was taken aback by that senator's comment as you to you as the chair so I need I need some clarification on that please trustee Russell I don't recall a statement and the statement was made it's not accurate so you asked a senator to provide an over some other kind of

0:06:04 documentation showing that I'm an employee of the legislature no I mr. chair would you all due respect is part of the legislative record and I'm not sure that she was referring to a NOPA she was referring to probably what type of contractual or relationship you have with the legislature and I don't have the details that's why I asked you I was taken aback by the comment and so you could clarify it because it appears to me that it raises a serious conflict with your fiduciary duty to the system if a senator who we have to appear before in in in various capacities don't think that you are independent of the legislature whichever relationship you have so i i you know to me it was very serious and and maybe we should uh uh resolve it another time but i i'm going to raise it okay duly noted as i was where do i mention it no no no go ahead sir as i indicated i did testify before the legislature would respect to bill number three four zero three seven zero and december 29th 2022. at the end of my report uh administrator's

0:08:02 report proceedings uh before uh mr chairman i see that miss mohead had a hand up i don't know if you want to entertain her i think probably she had it up in regards to comments and suggestions from retirees oh yes yes let's let's go back there of course i'm from the conference room i can't see that so miss mohead yes good morning good morning i'm sorry i had problems getting on i just wanted to make sure because she's having problems too that the message that was email from uh acting president christopher on behalf of this inquiry tires was read uh at that time on the agenda if you read it well fine um no he's not read it but if not i would like to for you to read it at some point um you're free to put to put it on two places on the record but i'd appreciate if it could be written could you repeat that please i will say it was not it was not placed on the record but you're free to read it you're free to read it into the record at this time oh i'm sorry i don't have it in front of me oh dear um so i if you if your secretary can may read it please we just want to be sure that it's part of the record because uh the problems with our connections well let me let me say this mr chair i didn't get that email uh and if it's not them is the uh you know given to the voter

0:10:05 trustees before a meeting maybe we should have it read at the next meeting or whatever but i haven't even i i haven't even excuse me excuse me excuse me i did see the email um and trust you also you were listed as one of the recipients in the email that i saw yeah yes i didn't get it yeah okay it was sent to you yeah you know um if if um administrator nipsy have a letter um the letter that ms morin is speaking about that you could read it into the record i don't have to find it but i did get a copy from the story and i felt that my position was that it should be read into the record by the retiree who sent it oh okay i agree well uh uh my technical uh limitation i'm sorry i can uh maneuver that's a no so uh but it is relevant for this i would appreciate that very much thank you well we can move on and then read it at an appropriate time when call up trust you also pass pass let's recess for five minutes okay we'll start and recess we'll reconvene in five minutes at 9.50 fully files under comments and suggestions from utairies however Acknowledging the technical difficulties that Ms. Moorhead is having, Tracy Smith is willing

0:12:47 to read said correspondence into the report. Thank you, Mr. Chair. Thank you. This is from Mary Moorhead, sent on Monday, January 23rd, 2023 at 11.26 a.m. to Kanan law cc barbara isaac helen hart abdul ali ria hodge debbie christopher aston nips between calwood vincent liger and nellen hori and the subject is grs election good morning mr russell My opinion is the trustee who is team player with understanding, integrity, commitment, and concern for the best interests of the system, and its members must be the trustee to serve as chairman of GRS board, regardless of district residence.

0:13:52 You became representative for St. Croix by default. There was no competition. Thank you. Yes, Ms. Boyd. I will continue. Go ahead. Yes, I'm sorry, but she's reading.

0:14:21 I appreciate your help, but she's reading the wrong on that. I now have the one that is what's submitted by the president of the organization. that is okay I have the one that is submitted by it was asked to be read into the communication for your meeting it's just three sentences basically and it says the St. Croix government we're hearing you know so go ahead and read it okay the St. Croix this is from Ms. Debra christopher submitted on behalf of the st croix government retirees and it says the st croix government retirees inc which is to place on record that by overwhelming consensus vote They have no confidence in retiree representative on the GRS board for the St. Croix District, Ronald Russell. This individual has never had any communications with our retirees since joining the board, but let it be known that this is the position of the same. Christopher, thank you very much for that all right thank you um so let's get back to the um administrator's report mr lives can you see the screen sir no we're seeing it now okay this is the administration the administrative spot on december 29th i was testified at the uh committee of the whole in regards to bill number 34-03-70 on january 2nd i attended the inauguration for governor brian and lieutenant governor roach on the 12th was

0:16:39 briefing with nikita on a rum cover over over shortfalls and the 35th legislature orientation on the 13th i met with governor which was cancelled we were supposed to meet with with the governor on the 13th, that meeting was canceled. And it was in regards to the RPA funding request for the water infrastructure replacement project at the Havenside Mall. On the 20th, Havenside Mall Oversight Committee monthly meeting, and on the 24th, we attended the Investment

Committee meeting with the Investment Committee of the board. Member Services, we have 191 applications still pending. As you can see, the majority of the applications that are pending are in 2022. In 2023, there are 14 that are available, still pending. As you can see, we got received applications since January.

0:17:43 As far as disability, we are still at 263 were sent out, total of 259 were returned to the office, which is very good. response. There are five disability cases pending right now with legal. Last month it was four. There were one addition in December. As regards to non-disability cases, there were 76 that were allowed 75 to return and we suspended three annuities for retirees that did not respond and who are not known to be deceased now uh i had a discussion with the uh chief compliance officer revisiting the suspension of annuities because the suspension affects the retiree health insurance so as not to hurt the retiree health insurance status the recommendation of the chief compliance control officer is to have payroll hold the checks while we do our due diligence until we can communicate further with the retiree or determine the status of the retiree. This is a way not to suspend living retirees. Although that person may be sick, they're in the hospital, and we suspend their retirement, it affects the health insurance. So this is something that we're considering it has not been implemented as yet uh as far as uh contribution processing the refunds number of cases completed for the quarter first quarter 103 total amount this is uh this total is incorrect in the bottom so i have to revisit that and revise that but but there is a total of 2,753,682.24. There was a typo here. So I'll have to update you on that. Debt certificates for the quarter, eight were completed.

0:19:51 For a quarter, there were 420,531,077 cents that were paid out in the benefits. I just saw that error right there. I think it's just that there's a million dollar figure, mostly around 3,600,000, I think. Accounting department annuities for the January 13th payroll, there were 8735 retirees on the payroll.

0:20:28 The total payout for October to January 13th, 76,817,028.03 cents. The period, that same period we added to the payroll, 102. For the same period, we deleted from the payroll, 100. Rose retiree payroll for that period, the 13th of January was 11,1202.42 cents. Loan portfolio, as of December, portfolio total is $12 million, I'm sorry, $236,625.66. The units left through December, 1,099 units. So we have 1,099 units left, 634 for the St. Thomas St. John District, St. Croix 465. We want to make a correction from the last report. It was estimated at the end of calendar year 2022 approximately 526 loans was scheduled to mature at december 31 the actual amount completed more due diligence the total matured were 800 instead of 526. all personal loans will mature by december 31 2025 except one loan because of the date of issuance after the um after the board had suspended the loans i guess that that loan was in process work before this suspension there are no major issues at the st quite complex st thomas complex we're waiting quotes of filling potholes when we park in the garage we need to do some maintenance the planning continues on the acquisition of the new generator for the st thomas complex this is where a location where we plan to put it uh where you see that little house there is where the current generator is and we will move it we'll build another structure to

0:22:43 enclose the the new generator and then we'll have a backup there actually right now we have three generators 101 under the building which we plan to probably dismantle and get out it's been there for quite a while and this generator here is the backup generator until uh we get the new one when When we get a new one, it will be a backup generator. As far as Havenside Mall, the demolition project continues. As far as the hotel development, coming very close to hearing before the CZM, we were involved in assisting, getting some information to the CZM that was requested. they needed an additional uh agreement for the construction of the welcome center between grs and given development on parcel four we prepared it and provided such agreement and as far as we know all necessary information needed for the hearing was given to the ccm hopefully we have our um are here and hopefully by next month. The St. Thomas Historical Trust, we are still working with them to you know to get the museum at the White House up to speed.

0:24:16 We have discussed the MAU and how to move forward with the funding in place. So they have secured collections and working on funding to prepare the space at the White House. Bronze statue MAU was signed and notarized and 50% of the invoice sent for processing. I think that amount was $7,500. Rental collections, December we collected $94,192.49 of that amount, $66,523.91 was rental. The fiscal year to date, we collected $327,529.16 of that amount, $201,714.21 was rental.

0:25:09 We do have arrearages for November and December. Let's go to that right now. The arrearages are in Department of Justice, Division of Personnel. We do have a small one for First Bank, for the ATM machine. We have arrearages for Pleasant and St. Croix, um a small electrical average for risk care so we are visit uh vigorously trying to collect these amount so i just wanted to give you a picture of where the average is like it's mostly in the uh department of justice and division of personnel leases awaiting the finalization of the revised lease i did see the lease came back and I think in discussion with Ms. Glandinen earlier today, there's a small issue and we hope to get that resolved as soon as possible. The Department of Justice, the former Attorney General signed the lease. However, since our separation, the acting AG Jacobs will be signed the lease for my execution. That's the Department of Justice. So we have complete negotiations with department of justice and fema we will be uh resettled for 1.9 million dollars in thomas john district and three hundred thousand four nine thirty seven for the st croix district so chairman that ends my report

0:26:58 mr chairman i i would like of course a point of popular privilege to respond to the retirees from the letter from the president okay okay hold it and we do it at the end of the agenda oh hold on no i need it now because uh they they put we have budget we have an agenda to get you will be at the end of the agenda no you are amend the agenda to let them talk so now you need to amend the agenda to let me respond and you can't point a personal privilege excuse me well i challenge the cheer i challenge the cheer you can't deny me that a point of personal privilege is not an automatic something i can't you know either no and i could challenge you you saying i can't do it i could challenge you and and i i think the the board of trustees should understand why i need to respond now uh uh chair this is trusty dorsey i like clarification on this part of the process from board attorney pedro williams i'm sorry i did say that i'm finished okay when you say proceed chairman okay um no i i trustee this is trusted trustee dorsey asked for clarification

0:28:54 from attorney williams through the chair to attorney williams on when you challenge the chair what is the process the trustee russell is saying pull up pull up pull up pull up pull up pull up pull up pull up mr if you weren't here you can hear you now i'm i was asking if you are finished with you yes i did say that yes mr chairman i did okay charlie russell yes all right thank you okay thank you and uh trustee trustee trustee russell let me proceed with this please okay trustee trustee russell i was just getting clarification yeah and from the attorney trustee dorsey trustee dorsey trustee russell has been granted his point of force of privilege let's move back thank you okay i'm afraid i have to respectfully disagree with the assessment of the president of the sinkhole retirees the sinkhole retirees did not support when i was representing gruff to get the rum cover over as part of an initiative sponsored by groff they rejected me and groff at a meeting and then at groff's origin i entered my name as a retiree after two attempts to get this inquiry retirees to submit a name to run for the leadership position in the grs system and i submitted my name and no sink or retiree came forward to challenge it and i won by default that's number one number two is that i have not received invitations from the six inquiry retirees except one from mary mohead to attend the meeting and i couldn't attend the meeting consider that you mr chair have been invited to speak to the sinkhole retirees and they didn't even send me an invitation for that meeting so they're dealing with me like a pariah I scheduled policy meetings, none of the Sincroa retirees came forward when I tried to get the loan program on board.

0:31:47 So they have never participated with me as the representative. So when they say no vote of confidence and that, I hope that the retirees on a whole dismiss this inquiry retirees letter because they have not cooperated with me and they have not invited me to meetings. and when you win by default it means that none of them were interested in even participating in the system but now they're participating to say they don't have a voter confidence in me what happened to all the meetings that we asked for retirees to comment every meeting we open with that and the committee meetings so you gotta take that with a grain of salt they participate in just to say they have no voter confidence in me and they didn't participate in nothing and they didn't submit nobody to run for the offices that's why i went by default and there are many retirees in st croix who i know that accept me as their representative and if the leadership don't accept me it's because the leadership was against what i did for gruff and it's still against me so i hope that that clarifies the record that the St. Croix retirees leadership could take a position against me, but there are many St. Croix retirees that support me and support the effort I am doing representing them. Thank you, Mr. Chair. I am finished, Mr. Chair.

0:34:13 Thank you for the point of personal privilege. I have addressed what I think was important. We can move on with this meeting. Thank you. okay um the investment committee met on tuesday um of this week january 24th to receive an update from our investment advisors as well as one recommended change um to our policy targets that's the item that was added to today's agenda um that's it with respect to the investment committee any other committees um i attempted to have a meeting of the policy committee and we decided to postpone it because there were some issues um that were especially with the legislature which we wanted to see what the legislature was doing with its last session and I think we will have a policy meeting in the next month to address some of the policies that we need to address. But we postponed that meeting and we think we have a policy meeting before the next meeting. Thank you very much.

0:35:39 All right, the treasurer has report. Is it Chairman? Hello, Ms. Jeremiah is out and I don't see anyone of our staff on the call, so I will go ahead and read the report into the record.

0:36:30 Okay, that's fine. Go ahead, proceed. Okay. This is the schedule of receipts and reimbursement, period ending December 31, 2022 for the month of december total collections were 13 million 446 thousand five dollars fiscal year to date 2023 total collections 196 million 868 thousand 77 dollars total disbursements for the month of december 26 million 117 thousand 466 on total fiscal year today total disbursement 81 million 251 thousand 676 the month of december net cash deficit of 12 million 671 dollars 461 12 million 671 461 for fiscal year to date 2023 is surplus is 115 million 606,402 in the month of December we collected 51% 13,000,446,000 of what was needed for the disbursement of 26,117,466

Year-to-date fiscal 2023 administrative expenses was 28%, is $4,347,730 of budget of $15.6 million.

0:38:12 Year-to-date withdrawal from the investment portfolio was $30 million. But what he gave in slight more, schedule of receipts on disbursements for the month ending December 31, 2022. Total collections for December was $267,225. Fiscal year to date, 2023, $1,456,526. $3,526.

0:38:50 Disbursements December was $537,563. Fiscal year to date, $916,522. The month of December net deficit was $70,337. Fiscal year to date net surplus was 540,000 for the hours. For the month of December, 2022 Haven site expenditure was 115% of total collections.

0:39:25 Yet today collections increased by 237% or 842,172 over last fiscal year to date collections. Yeah, today the expenditure increased by 47% or 293,506 over the last fiscal year to date expenditure. Fiscal year 2023 Havenside Mall expensive or 11% of budget. So Chairman, that ends the report.

0:39:58 Thank you, Mr. Niffy. Can I have a motion to accept the treasurer's report? Anybody have any questions regarding the report? trustee dorsey i have a question mr nims can you go back to the year to date of the drawdown for the year i didn't catch that according to the report we had to make drawdown we withdrew from the investment portfolio 30 million Okay. Okay. Thank you, Mr. Nibs.

0:40:40 Mr. Nibs, how is that drawdown justified with the amount received from the special purpose vehicle? You have the details or we should wait? but i think i think mr uh trustee russell i think we should wait until uh next report i think mr henderson would be able to essentially work directly with this you'd be able to answer the question right and the other question i want mr nips for them to answer mr henderson you remember in the investment committee they said that the portfolio uh gained three percent i think and we want to understand when the percentage of the portfolio could reduce the draw down you know you understand yes yeah because we gotta we gotta reduce the drawdown base and And the aggressive investment, not aggressive, but more increased interest in our portfolio.

0:41:55 And I want to hope that when we get a better percentage with the portfolio, we could reduce the drawdown. And Mr. Henderson will be able to do that, right? yes because you know um like i said you know uh you don't always have drawdowns right now the with the condition that we in um it would reduce it somewhat but i don't think that significantly we would have to make like 25 or more on the market i mean okay yeah yeah because we we want to um we want to strike a balance between the drawdown and the investment and start to reduce the drawdown so that we keep our portfolio you know but that would be the idea yeah that would be the idea but uh you know and we did some what if um calculation investment committee meaning that the shortage in the end of cover over so we don't know what's in there so yeah and and you know uh mr chair and mr barry especially since you're a finance man um i think we should really lobby as a system for the um 1325 or 1350 and tell them that the system is relying on that number for equity and for some parity and solvency and and and i think we should that's that should be our push going into this new year because if we're 1350 cover over we'll be all right a lot better so i want to put that on the record in this first meeting that we need to be lobbying for that outside of the administration because the money now coming to us so we could lobby ourselves thank you very much mr chairman yes sir i think rusty liger has joined the meeting because i was just about Any other questions surrounding the treasurer's report? Can I get a motion?

0:44:13 So moved. Moved by Joshi Smith. Do I have a second to accept the treasurer's report? Second. Second. Joshi Bari? Yes. Joshi Dorsey? Yes. Joshi Laiga? Trustee Liger, absent. Trustee McDonnell, absent. Trustee Russell? Yes. Trustee Smith? Yes. Chairman Caldwell?

0:44:49 Yes. I guess you absent. Also, Mr. Chairman, I see the ex-official member, Division of Personal Director, Cindy Richardson, in the meeting office. Yeah, I'm ex-officier. Just wanted to report that. Thank you. I think Trustee Liga is frozen. I just sent him a text message. Investment officers report.

0:45:25 uh good morning mr chairman other trust please um can everyone see my screen yes okay so um this is the performance report for the month of december 31st uh 2022 uh subsequently the end of calendar year 2022. um as we all know calendar year 2022 was a pretty rough year for the markets as pretty Pretty much all asset classes were down across the board for the year.

0:45:58 As it relates to GRS, the total plan returned was done about 2.1% for the month of December. Year to date, the portfolio was down about 6.8%. But we did start the fiscal year off a little strong, up about 1.2%. domestic equity returned negative 5.8% for the month and was pretty much in line with its benchmark, which is the Russell 3000. Total international equity was also down about negative 1.2%, slightly underperformed its benchmark by 0.5%, and our total fixed income portfolio was down as well negative 0.2 percent, but slightly outperformance benchmark by about 0.2 percent. Notable performances for the month of December, our Russell 3000 index fund was down negative 5.8 percent. Our emerging markets index was also down negative 2.2 percent. our u.s aggregate bond index was down negative one percent our index was down negative 1.5 percent and our u.s high yield bond index was also down negative one So we ended the month approximately at 489.5 million.

0:47:52 We raised about $75 million in the portfolio, which was the liquidation of the Pew Capital Management portfolio to reallocate towards our new policy targets, which are now, as of the end of December, we are at our new asset allocation and our new policy targets. We began the month at approximately $514.8 million. A reminder that our amount excludes our member loans program and the office complexes here in the territory. We had a net cash flow of $15 million in the month of December, which was part of that $30 million that was read out of the Treasurer's report. we had income of about 802 thousand dollars we had an unrealized loss of about 11 million dollars that brought us the ending market value of 489.5 million uh as of the end of december 2022. um as it pertains to fees uh we paid no fees in um in the month of december a year to date we've paid about 400 000 in total fees and so far we've paid about 108 000 um mr chair trustee that end my report and i'll be happy to answer any questions i have a question uh chair mr henderson go ahead so mr henderson um i'll just be candid i really can't see the chart well but i'm listening as best i can um mr henderson in the between the investment committee meeting and today's meeting with your report right i was just i was trying to see the effects of the how the how the overall system is affected with the 30 million dollar drawdown uh

0:49:50 the impact of this new policy allocation of our resources right our funding in these equity accounts from our fixed income bond accounts and then that reduction that we have in the cover over you know how is this affecting us short-term long-term so right now we're looking at short-term and then looking long-term how how does all this come together okay so in the short term um as you noted we got the 157 million from the band notes in october um that 157 million was pretty much fully allocated to the asset allocation and policy target that we just completed in december um but reminding the trustees and the listening public we we are we as mr nibs mentioned a little earlier we still have a fundamental shortfall in terms of the amount of contributions we get and the amount of benefits payments that we have to make and as long as we have that fundamental shortfall between those two items we generally will still have to pull or liquidate assets to make up that shortfall Hold on, Mr. Henderson.

0:51:18 So with the fundamental shortfall, basically you're saying, if I read you correctly, right, that even with the floating of the bond, we still have this fundamental shortfall that we have to address as a system, right? That is correct. So in terms of layman, what's the monthly dollars we're looking at short term? Are we still looking at the $15 million short term to draw down on average? We, honestly, the way we get contributions sometimes, it's difficult to say exactly what that dollar amount monthly would be. You know, and Ms. Jeremiah is not here to speak to it, but it seems that we don't collect the proper amount of contributions.

0:52:10 We don't, okay, fundamentally, we don't collect the proper amount of contributions in terms of the ADEC. And on top of that, there's times in a given month that we will not receive even whatever contribution from a particular department. this is what you know generally causes you know the short file or compounds compounds it in terms of having to draw um monthly um i wouldn't say we have to draw monthly every month but in reality we don't know because we don't have a concrete idea of actually how much contributions we would get in a given month that we could put towards you know paying the benefits if you if you understand what i'm saying it's it sounds um that we have agencies if i understand what you're saying that we don't know from month to month which agency is going to make the proper payment on time which is porsche is the reason why we have to do some of the drawdowns i think that's what you were just saying is there is there is there a fine for those agencies when they don't pay the system on time? Is there something in the law on the books to address that as well? Yes. I mean, the central government, as you know, is up to date as far as because of the bond funding note. The only agencies other than the central government, which is semi-autonomous, is WAPA, which owes us about $7 million, and Roy Lester Snyder, which I I plan to send a letter out to them today again, follow-up letters, about $1.4 million.

0:53:59 Yes, agencies are assessed on interest. However, you must remember the government, the government and the plant sponsors are only paying 23.5%. It should be paying 91% of payroll, which includes the IDEX. So you will always have that. So the reason why you have to pull from... Excuse me, Mr. Nibs, you blanked out on my side after 23.5%. What did you say after that? I said that currently the plan sponsors are paying 23.5%.

0:54:38 When based on the arterial analysis, they should be paying at least 91% of payroll. so you're going to always have sure but you know with shortfalls where you have to probably pull from the portfolio i think this may this may write itself a lot better when the uh ta2 we talk kick in because we're paying out less and that's around what 2030 2035 or something like that Mr. Nibs and Mr. Dorsey, could I interject a question here? Go ahead.

0:55:21 Yeah, okay. Mr. Nibs, when you said the central government, does it include Virgin Islands Port Authority, correct? No. The central government includes all the executive branch agencies. right and that is my question we also include in the legislature and the judicial branch when we said central government it includes all of those executive branch legislature the uh education does the virgin islands port authority have an obligation uh to pay into the system that is my question yes they do pay they are okay with their payments yeah and and and that is the emphasis of my question they're getting ready to privatize the management of the airports and it appears to me that once they privatize that those employees may become hired by private entities and don't pay into the system, and we need to check into that.

0:56:45 Because from what I understand from the CEO, they want to privatize the management of the airport. Now, they could privatize it as long as we collect what we cost them to collect. they privatize it and then those employees don't have to pay into the system it's a problem for me and that's why i raised it now because i think we as a system need to protect the contributions that come in from everybody and i just raising that because i that that raised a red flag with me when i hear that the privatizing the management of the airport okay thank you very much are there any questions pertaining to the investment officer's report yeah okay he said 11 million dollars was accounted unaccounted i i didn't understand that mr henderson unrealized last yeah i'm sorry i'm sorry mr chairman go ahead it's an unrealized last a last you have on paper it's not an actual last last i understand well how explain mr henderson how you get it on paper how how what's what's the reconciliation that has to happen so so trusty so trusty also let's say you you own um upon a goal and if the value of the pound of gold drop by 50 percent tomorrow the value of the goal that you hold in has lost 50 percent of its value but you don't actually have the last because it could go right back up the following it and you can follow exactly yeah but see i i understand that i understand all of that but how and where do they attribute that loss in our portfolio how you know i i when i hear last i i

0:58:46 my ears fuck up that's that's why i make i make as the chairman stated i make it known that it's an unrealized loss in the portfolio and as the chairman eloquently said you know yes unless we sell at that at that law or that at that unrealized loss we don't we don't see an actual loss in the portfolio you know so every time that you report to us and you report an unrealized loss it means that it's just a part of the portfolio that's uncertain and could change any day right correct okay good okay so we take care that now you said um the shortfall is something uh based on the contributions and the contributions are you know they they dictate how the shortfall um is governed right okay so if we look at it look at it this way so the funding note provides us 157 million um in october and if you look at it as you know a cash advance you know who will ask the system to pay benefits and expenses let's let's let's just look at it that way yeah i'm with you i'm with you you know we received the 157 million we invested it or we we allocated it into the portfolio but we still have a fundamental shot file going i mean for you know for the past and i could only i could speak about let's say the past five fiscal years we have we've had an average shot of about 120 million okay good i with you 120 million we we have we've had to liquidate out of the portfolio to cash to pay benefits and expenses okay so we got 157 million in october but through the fiscal year we we have

1:00:52 to drop down to satisfy the short fall like i mentioned the fundamental shortfall from the amount of contributions that we receive and the amount of benefit payments that we have to make throughout the fiscal year right so think about it this way that we that 157 million we essentially would take 120 million dollars of that to pay benefits benefits and expenses okay would be you know still i i think uh also senator russell like i said the government the plan sponsors are paying 23.5 percent actuarially they should be paying 91 of payroll so you can see right there that uh you know always have to be unless they can make up the contributions investment income and contributions is what's supposed to take on benefit payments and expenses so if they don't make up that difference between there you can always have a problem 158 is solving that problem right i i understand that yeah okay so so do we have to approach the legislature to revise its calculation regarding its budget to account not only for paying employees personnel expenses but also to paying into the system for former employees and current employees uh what what would that happen if if that happened mr nibs uh what what would it do to our um shortfall well i i don't have to do the modeling here right now

1:02:43 but as you know we went before the legislature we asked them we told them about it 23.5 maybe you know increasing it for at least 26.5 also paying the 15 million dollars of administrative expenses then we need to do it well well we did it they didn't senator valley promised that yes he's gonna look at it and never got into the budget we're gonna be having a meeting with the governor and i think we need to bring up um some of these things with him but um you know we we put it on the table already yeah we put that's the last legislature we're laying there no more now that's what we have to think we move on yes well you know um trusty russell we have an orientation with the board next um in i think february 17th so you will be there and the trustees are invited we would have an orientation with them and these things can be discussed with all 15 senators okay good all right thank you very much mr henderson thank you very much because um we're not only talking for ourselves as trustees one or two members might be listening and clarity is always good and what i consider transparency is always good thank you very much we're saying this you're welcome and i agree can i move that we accept the the report given by mr henderson is there a second second all right moved by trusty russell seconded by trusty dorsey can i numberable comments and notes trusty barry yes trusty dorsey yes trusty liger absent trusty mark and all absent trusty russell yes trusty smith yes

1:04:55 chairman carlwood yes five yes to our phone all right thank you all right next item up um new business one election of officers okay mr chairman yes sir i would i would move that we postpone this election because i don't think we complied with the 30-day notice of the election i look at the bylaws now and it says the election shall be announced 30 days prior to the date of the election And I think that announcement has to be for members and for current employees with the government. So if they have concern, they could raise it.

1:05:57 And I spoke to a bunch of members that didn't know that we were having elections. And I think we should follow the bylaws. and at 30 days after this meeting once we put it in the paper that we have any election officers then we could have this election so i i really believe we should do it by the book because we're moving to a new era and people have to have notice and a clarification as to how we following our bylaws so i'm i move that we postpone the election until uh we comply with the notice provision appoint information chair all right mr dawson um who's in charge of putting out the notice and when was this notice put out um good morning everyone i'm pedro williams here i'm looking at article 3.3 of the bylaws it provides that the election shall be announced 30 days prior to the date of the election um if memory serves me correctly i believe it was announced at the last meeting that we'll have election in january the notice if what you're calling the notice is not for the general public but the announcement is to the members of the board um and whether or not um the trustees, I'm sorry, the retirees or active members are aware of the election, they play no role in that process. This is an election among the trustees for chairman of the board of trustees. So as long as they've received that notice, which was done in the last board meeting, it was certainly held 30 days prior to today's meeting.

1:08:20 yeah i i would challenge that opinion because i think any any notice can't pay for the trustees alone because the trustees it in the trustees money it is the members money and the members should have notice of any any election for officers so that they could respond and so when you have uh the election shall be announced 30 days prior to the date of election it ain't say in that that it's a uh our office of the elected two years okay good and held in january at the expiration of the tongue okay that's the first thing okay the second thing is who is the notice supposed to go to if it's just the board of trustees then it don't make no sense that that leaves the whole 16 000 membership out and the second thing is uh trustees shall be elected every two years okay of the expiration of the term okay we need to get some kind of clarification so i don't believe we should proceed with this election uh simply because the border trustees get noticed i believe the entire membership need to get noticed because it's very important to lead the organization so i i disagree with uh uh council's uh interpretation of that notice and i believe that we should be expansive and include the membership and

1:10:08 provide membership so that if they want to respond or be included in whatever we should have that kind of notice so trustee russell are you making a motion to postpone or delay yes uh yeah okay i i think we should we should put it and and just give notice to the membership and he said the election shall be announced 30 days prior to election you you could hold a meeting mr chair where only four members in the meeting and no retirees participate and you can announce it and what what what value is that announcement if only 10 people know that's what i saying we got to get a lot more responsive to the membership and include them so i make a motion to postpone a meeting until we comply with a 30-day notice uh and that notice should go in the paper announcing it to all members is there a second is there a second second we'll call mr um trusty barry you're muted i'm just about here no trusty dorsey yes trusty liger absent trusty mcdonald absent trusty russell yes gusty smith no

1:11:55 on cardboard no two yes two no two absent um should we say the total again please that's one minute now two three i'm sorry two years three no two absent okay so motion fails are we going to um well our nominations uh um mr chair are we gonna do it i mean in the past i know we used to do this by ballots Mr. Chair, I would like to nominate Dwayne Calwood as chair of the board and Mr. Nellon Burry as vice chair.

1:13:07 I accept. um okay and i i i would um wait before you proceed um mr bory yeah you have been nominated to serve us by share the accept yes okay go ahead um trust you what's up i think that with all due respect chairman carlwood the conflict that i raised with you and the legislature i think inherently disqualifies you from being the chair uh trust trustee russell that matter was raised and resolved prior to you coming on board um prior to you coming on the board okay the the issue is i'll i'll clearly state it that if you are beholden to the legislature i don't think as the chair of this organization you could represent the organization properly and it became very clear at the last hearing so i i think you should withdraw your nomination for the chair once again trustee russell the matter was raised it was addressed reserved and put the rest prior to you coming on board as a member of the board of trustees okay well i raise it again and i'd like to get a written opinion about that from legal counsel whether the conflict compromises your position as chair okay uh so and i i i also don't understand

1:15:13 i need an explanation as to mr barry accepting the vice chair when he resigned from the leadership and i would like to discuss that uh before a vote because he he now okay trust me all he did was accept a nomination yeah but he he he sort of no but we have a discussion i'm saying at this point all he did is accept a nomination so i just want to open up up the floor for any additional nominations before we get into discussions that's on him okay okay um okay um is mr liger still on board there he's been having technical um technical issues today okay okay i would accept a nomination from anybody because i i would like to serve as chair so i i thought mr liger would um do that maybe another member might nominate me uh trustee dorsey i would nominate uh trustee russell as chair and trustee smith as the vice chair okay well i i accept the nomination i don't know if um trustee smith will accept the vice chair but i hope she does trustee smith you'll accept the vice chair no not at this time thank you okay thanks well i i would um i would uh nominate um trusty dorsey as a vice chair uh and i as a chair i i could accept the chair dorsey would you accept the vice chair

1:17:26 i would okay well then you have a chair and a vice chair okay good so now trust you also they could proceed wait are there any others yeah i i i like to to to state i proceed i think and thank you for the time um i think that anybody who is solving as chair of this important institution should submit a resume what have you done to earn the position i knew what mr barry did and he solved a lot of you know public service whether in what capacity and i'm not sure that i understand how you uh chairman carlwood would qualify for this position what's your resume what have you done in the community how how how would you own such a distinguished position i submit my resume i i am eminently qualified we're understanding the rules of rabbit rules and you know and and i have the legal background uh and that is why i believe trustee bowery he resigned that's his privilege but why i put myself up here to be the cheer i i i'm not sure you could explain to me trustee carlwood what what's your background i don't know your background and so my view is anybody that wants to chair such an important

1:19:24 financial institution should have some kind of criteria that has them on in the right to chair it and i'd like to understand what's your background i i maybe trustee smith knows you i don't know you i meet you on the chair here and i don't know your background at all so you know maybe you could explain to me uh your background and why you think you qualified to be the chair and i asked for that clarification mr chair Okay, Mr. Names, Trustee Liger is on. He is having some technical challenges. He said at the time, he'll text his vote to you.

1:20:26 Are we having a closed vote or just open to the public? No, the vote has to be by ballot, secret ballot. Oh, okay. okay so everybody's gonna send a vote to mr nips yeah appointed information chair um trustee liger said it has to be by secret ballot is that in the rules that's what we have always done it all through the years The rules do not specify how the election will be held by practice, and we had an election several months ago. The trustees were asked to submit their ballots or who they are voting for to the secretary, Mr. Nibbs, and that's how the last election was held.

1:21:32 okay so that's not that's not how it's always been done then that was just the last time basically what you're saying so that's that's not a true statement that that's how it's always no no um trustee dorsey from the time i was chair i was chair for six years three terms and every time we vote by ballot at that time we was meeting in person but everybody had a secret ballot my statement wasn't that's wasn't that's the way was always done that's how it was done the last time prior to that as mr trustee like as us indicated all the trustees were in the same room you're given a piece of paper and they wrote on the paper who they were voting for since we're not all in the same room the agreement the last time was that that's how it's going to be done that each trustee would text their um person they're voting for to the secretary clearly the trustees want to change that process they're free to do so but i was just indicating what had been done the last time and prior to that i'm missing this what is your understanding on voting process since i've been here 15 years it's been done by secret power just as uh board council pedro just described and mr liger the ballots were given to me after they were written i would count them i would give them to the internal auditor to check me back to make sure there was accuracy and it was disclosed the last time we did it we asked to send me an email that's always since i've been here by secret pal okay well you answer the question thank you

1:23:34 mr um trustee russell were you finished i finished and i i i um i i don't see why we have to do it by secret ballot it it if somebody can be the chair it will be the chair it's we have to do the business of the system and if the majority vote a certain way that's what we accept i don't mind voting straight you know i don't i i think we should do it straight for the issue of transparency there there are retirees on board now let's just do it it don't matter attorney attorney willy attorney uh russell i i understand what you're saying but for the practice is for years for over 20 years i have been on the board and we have done it secret ballot written ballot yes if anybody wants to have i don't see what transparency have to do with it you you somebody vote and that's it everybody has a right to choose who they want to vote for but i am simply saying that's the way we have done it through the years and i don't see any reason why it should be changed today i make a motion to change it to just have a a voice vote and the reason i'm doing that is because we're doing it by zoom we can't check how people even went this is a different system we have to do it by zoom you hear everybody vote and i make a motion to do it by voice vote is there a second second second

1:25:19 by trustee russell seconded by trustee dorsey canada will count i want a discussion before the vote trustee car discussion yeah okay two minutes so trustee coward right now i don't have the access to send a text to mr nibs to vote on this process so i would have to do mine over the internet as i'm here right now i don't have a problem with it okay and and that is part of why we need a voice vote because mr liger had problem connecting and we don't need to delay we could just vote people will vote the conscience and we move on okay so you don't mind having a voice vote but it's still gonna come out in the public even though we vote in secret ballot is we still have to come out in the public and vote on it so it's nothing that we could hide it something no we we could just do it now the point i was making trustee smith i do not have the capabilities at this time to send anything in to mr nibs i thought you said so i don't have a i don't have a problem giving my vote as i'm speaking that's the only access i have right now you could call mr nibs on his phone yeah call him on the phone thomas and lives on his phone you don't have a telephone well i listen what unless both the motion is there if it fails we'll

1:27:17 will act just accordingly the motion is there mr chair to have a voice vote 25 seconds left for discussion we finished this i finished with this tush and all right roll call mr nips this is the roll call for the for the voice for yeah yes no dusty dorsi yes Trustee Liger? No. Trustee McDonnell? Absent. Trustee Russell? Yes. Trustee Smith? No. Trustee Carlwood? No. Two yes. Four no. One absent.

1:28:10 well you don't have to wait i vote for myself and don't see what are you voting i'll send the email well he was trying to get through and it appears he failed so i'll wait yeah i got i'm going to text you um mr nibs since they they okay and um uh trustee russell just for the record or rather in response to your yes allocution you could call it um there are five five seats on this board that have a minimum criteria that have to be met i sit in one of them and i'll leave it at that okay listen mr chair i don't have a problem with who is chair i'm following rules that i know conflict of interest is a rule a law it ain't against you okay so don't think i against anything i don't move forward with being a trustee regardless of who is here trustee russell i was i was trustee russell i was responding to your comment that you did not have a resume for me and therefore you didn't know my qualifications that's that's the only question but i really don't know i i i accept that but i don't know you

1:30:01 so that's all right and and maybe the people who vote for you know you so that's fine i move on can can i speak yeah sure i'm telling you i was just responding to that part of what you had to say okay with regard to the other according to your conflict as i indicated that matter was already brought up discuss and put to risk so i was not responding to that i was simply responding to you saying that you don't have my resume and you don't know what qualifications i have to be sitting in such a prestigious position that's it okay yeah listen i i i go whatever i go text my vote to mr nibs and we can move on okay so let's take let's let's let's take a five minute break and we resume at 11 10. at that time mr nebs will give us the results of the all right so we started with certify which one should i use for austin Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you.

1:35:59 Did you get my text, Mr. Nibs? Yes. Okay. There we go. We back on? Yeah.

1:36:44 Okay. Okay. Mr. Neves, do we have a quorum? Yes. I said that we do see Russell, I guess, like yourself. So worry. Yeah. All right. So we're back on the record. Mr. Neves, can you give us the results of the voting? the results of the vote the only one that didn't come in through text was mr dorsey on the phone four for carwood two for us two is that understood yes but i i want to know uh mr carlwood who wrote the opinion for stating that you you don't have a conflict is it our vote council or is it outside comes to an independent and objective opinion um trustee russia i would have to go back and look i know the issue was raised and our opinion was that well the issue that was raised was whether not mr carl would qualify to be on the board because somebody did raise a similar issue about his employment status uh okay hold on hold on i gave an opinion and i would have to go back and see if it was a written opinion if it is a written opinion i will submit a copy to you yeah was that he qualified to sit on the board that there was no conflict based on his employment status okay and your opinion was not whether or not he could serve as a chair right

1:38:44 and they're not to address that specific issue but if he qualifies to sit on the board clearly he qualifies to serve as chair because there is no additional or specific requirement for one to serve as chair other than one being a member of the board okay but the issue here is attorney is can he represent us before the legislature which is where the conflict was raised because if he goes before the legislature um does the duality of loyalty is challenged and that's what the senator did and that issue was not raised he might he qualified to be on the board yeah but okay what do we do when we go before the legislature and that's an issue that needs to be delved into and i can write what my concerns are and i can send it out to all the board members what my concerns are and you know and then and you can and you can send them to me and i'll take another look at it and do the appropriate research but my yes my response is that um it is up to the members of the board to determine whether or not the chairman can properly represent them whether it be before the legislature or any other body or any other entity um clearly if four trustees voted for him they there's an indication that they believe that he fits amidst that qualification of being able to represent the board in any capacity um if there's a captain i recall the research was that mr carver was not an employee of the legislature and i believe he indicated that again this morning so i'm not sure what would constitute the conflict so if you have information or you have other concerns yeah i i could i could get it to you

1:40:56 okay well we'll be happy to because i i i i don't want to belabor it uh because it's something that came to my attention and i i had i dealt with serious conflicts while i was a senator and different things and i i could i could provide the information to you okay uh excuse me uh attorney russell what was that what was the issue i i was absent um if if the matter was discussed prior to me uh yeah um the issue was uh mr carlwood appearing before the legislature representing the board of trustees and the members and a senator reminded mr carlwood that he works for them the legislature and i saw that as a conflict because if he's working for the legislature and representing the board how could he represent the board and have a senator responding to him in that way which show i think a serious conflict in in terms of you know maybe we need to get somebody else to go before the legislature i don't know my what the solution is but i i don't think uh that's a reasonable expectation of whoever a cheer not being able to go before a body like the legislature so i i the conflict came up when i mentioned that um one of the legislators reminded mr carlwood that he walked for them the legislature okay but but but that when the when the senator made the remark what was do you know the intent what was the person's intent in in making that statement uh i could only infer the intent that remember you work for us and your loyalty

1:43:05 is to us because you want contract and we pay you that's how i see it that's the only that's the only i reason i could see for that comment we paying you you're loyal to us then they the grs board don't pay you like that that's it and i think you know attorney russell well yeah if that senator have a problem they're the one that make the law they don't make laws right so let them make a lie if they think is a problem well a good good interjection uh trustee smith but conflicts don't have laws to prevent the conflict conflict is an inference of the relationship that exists between entities and like for example a judge a judge can be part of an organization that might come before the list they are the court these conflicts are not written in law like that the inferences based on the relationships okay and that's what i'm saying i mean the judge may not even know if if the organization he belong she belongs to would come to the court if it happens all he has to do is to remove himself from the case yeah and and that's what i'm talking about exactly i don't think that that mr carl would i just should remove himself from the chairmanship because that inherent conflict that the senator

1:44:53 brought up that's what i was saying that's what i'm saying precisely and and and he he might solve as a trustee but could he represent the trustees and the members before the legislature without this conflict being raised and i i my view is just to avoid it don't put him as cheer because you want to avoid that so that we whoever we put before the legislature when mr bowery went he didn't have no conflict nobody can tell him that nobody can tell me that i don't have no contract with the legislature or anything like that and and that's just a a rational explanation of what a conflict is mr liger okay sir sorry charlie russell are we free to move on yeah yeah yeah and listen i hope you don't take in it personally it ain't personal okay because this is not personal we represent we have a fiduciary duty to be straight up and honest okay thank you very much you're also there's never personal with me i've been to war and back today not nobody could say to me that's going to you know okay anyway i i i believe that i know you when we get to the conference and i believe that you you're honest with that okay okay thank you next item on the agenda consideration of electronic information dissemination policy um i asked to have this added to the agenda i want to make a modification to our governance policy a little background on this um trustee dorsey for the entire time i've been on the board he's had a system printing her copies of documents um for every single meeting we are in 2023

1:47:04 you know as trustee russell alluded to earlier we're in new times and when i became chair one of the first things that i did was i put a heart to that practice every trustee on this board has been issued or has been or it has been made available to every trustee on this board an electronic device as well as a gers email address as a matter of fact trustee dossier in addition to a laptop and an email address, he has a mobile hotspot that was issued to him. So there is no valid reason that after all of that, the system should still encode the cost of printing hard copies for any trustee. So he sent me an email on December 8th asking for an exemption i denied it and some days later he showed up at the grs looking for hard copies he followed up with a notarized letter with the same request that was in the email so at that point i decided we need to make an adjustment or addition to our policy to put this matter to rest once and for all so i had a tony williams draft up a resolution and i'm asking the trustees to support the adoption of this resolution discussion yeah i have a i have a discussion go ahead i sent the second letter because of my medical condition right and i'm gonna i'm gonna forward back the electronic equipment at this time so you gave me the option to have the hard copies and i prefer the hard copies that was

1:49:07 option you gave me so you will be getting your electronic equipment back okay is there any discussion pertaining to the adoption of the resolution i have not seen this i don't know what you're talking about does it have any exception like i mean um as trusted dorsey is saying yeah um some medical matters and therefore um he needs um the paper documents there's any exception to the rule um as you're saying well i mean you could always make um exceptions to the rule on on case by case basis but you have been getting hard copies for um the almost two years that i've been on the board so to say that you need a hard copy because you had a procedure done two months ago you won't really hold water with me when for two years you've been happening so basically let me let me read i like the discussion wait wait i like this yeah let me yes my view of it is that there should be no restrictions on any trustee getting information as they requested hard copies don't cost the system that kind of money because the system the bleed money for other things and if a trustee need hard copies we should provide it to them if they need a laptop you give me a laptop i good but another trust doing good we should accommodate the trustees there's only six or seven trustees well seven but six are participating so i mr chair i think you should withdraw the resolution and just accommodate member dorsey with the hard copies and if anybody needed hard copies or they need uh additional wi-fi or they need another computer we should provide it so that the trustees making the decisions for the 16 000 members have all the information at their disposal so they make an intelligent decision so i i ask you to withdraw the resolution don't fall don't find an exception just

1:51:39 withdraw it don't see returning the equipment getting hard copies to him that's my motion okay and here's my and here's my counter i hear you but a we in 2023 all the documents are sent out via email i have been in these meetings and have heard trustee does he say it's unfair to ask me to vote on that because i just got the documents yesterday only to have mr nip's counter and say i call you five days ago and told you the documents are ready to be picked up that has happened number two printing hard copies to create security issues you have documents later on waiting waiting to be picked up that contain confidential information and the documents are emailed out it takes less less effort to hit control p than it takes to have a letter drafted up get it notarized and bring it to grx i understand so i so i so i so i so i it is as been my belief that a lot of problems you get into around here in the fortune island specifically it's because we do things because of the who and not the what we're in 2023 there's no way we should be stopped with practices back in the 70s and 80s i don't want none you print out hard copies suppose there's a change we talking onto the pages and to say to me and to say that well the system bleeding money so let's just bleed some more one one full of basket that's the same thing from from from the people i think so to say we bleeding so let's not just you know i don't know so that my position is let's put the policy in place

1:53:38 he's free to return the equipment as he indicated he will and in exchange for forgetting the hard copies but let's have the policy in place to prevent so we don't have to be dealing with this issue again in the future yeah let me respond to you just we live in the virgin islands you know wapa cut off every two three days the internet terrible we have challenges as a territory adapting such a stringent policy and i i'm hopeful that you could understand that we need to accommodate our members and especially our trustees okay okay so so so trustee russell the documents are sent out days in advance of the meeting mr nibs myself we've been striving to get them out seven days prior to but sometimes because uh you know different factors we only could get them out five days prior to so you have five days of print them out there's nothing that stops any trustee from printing out the hard copies you can print out the set of documents and have them in every room of your house there's no restriction on that so to say that we're sending them out electronically that's not handicapping the trustees in any way shape or form other than they would have to incur the expense of buying the toner which is you know buying the toner buying the paper and buying a printer you can buy a printer and toner for less than a hundred dollars so so i just don't want don't leave the inference that somehow if you're not doing that card copies and you're sending out documents only electronically that's how much that somehow puts the um the trustees at some kind of disadvantage it does not it does not and if and if you're responsible trustees you read your documents ahead of the meeting so you're not waiting till the day of the meeting for the morning

1:55:37 enough to print them out um to come to the meeting you're supposed to be reading your documents ahead of time in preparation for the meeting so yes we don't have power issues but i don't see you didn't get an email five days ahead of the meeting and for five days your power out and and you couldn't print out the documents uh okay i i i done with that i'm i you know the vote will come down and the policy or resolution mr mr chair i i follow the book yes yes trusty bory are we arguing about the issue that doesn't exist anymore and it seems to me the the policy that we are agreeing about offer as i understand it offers the option right turn back if you want to get hard copies you know as a matter of practice you turn back in the the election that's that's the policy right no no the policy was just making the electronic distribution the official means of distributing the documents so he does he indicated that due to his the medical situation that he's dealing with he's unable to look at a computer screen or electronic device for any period of time so when he when he indicated that that was the situation i was like okay we'll bring back the equipment and we'll give it a hard copy if you can't look at it at a a computer screen and you know how do we justify paid every month for the for the mobile hotspot and the laptop if you can use it could we have it either or then like um jossie boris saying right that's what jossie boy's comment was that if he turned back in the device then the policy doesn't apply i guess he just wanted a clarification so they're arguing about something

1:57:34 that no longer obtain since trusty doses indicated he's going to turn in the device but i i still want to make the modification to the policy so that's it in place going forward yes i did indicate the dossier but i would like to put either or i mean yeah that's an option of even more that's right so can i get a motion for it for the for the record again i do have the medical issue i'm not going to get into that publicly and hopefully the chair would respect that i did put it in writing to him so hopefully yes i respect that i did make the mistake i'm not getting the equipment back to you but i will get it back to you in short order well let me let me be clear i i did acknowledge the medical situation i was not informing that somehow you were being dishonest you know we we had communication back and forth about the you know about the recovery and stuff like that outside of outside outside of this so i don't want it to to um be the impression uh to be that you know i somehow were informed that um the medical situation was not a real a real a real something yeah well since yeah and with that i need a hotspot too and i don't have one i have a computer and i i use the computer but i would need a hotspot because sometimes i'm not in my office and the internet and i i need to pass it so i just want to put that in the record staff give me a hotspot thank you very much okay so can i have a motion to amend our policies to make to get that option um for distribution of documents either electronically or hard copies for those who don't have um grs issued electronic devices so move everybody go do that yeah so move you give me my option

1:59:39 I was going to say that, I mean, it seems to me that the issue has resolved itself, and it's if it's if it has resolved itself unless i'm missing something maybe it's not necessary to get we are looking forward we are looking forward so that we don't have to deal with the issue in the future that's what i'm saying anyway motion nice for lack of a separate so so then what what is what is the present situation if if the motion dies where where are we now we we do not have a quote-unquote official means of distribution of documents so three four well so there is no option that is that is not how i understand what we are what i understand the issue where we are today and what i understand where we are today is that you have option of either either you either you you you get electronic devices or you get paper and if if you issue the electric devices then we're not you're not going to pursue any paper copies but if i may if i may right now there is no policy or no provision right

2:01:34 government what the violence provide that the trustees will receive information how that information is received is technically up to the chairman so his position and he could correct me from wrong is that i want to distribute um information electronically to everybody who has received grs issued electronic devices at least one trustee has said i don't want it that way i want hard copies the chairman has denied that request um and has said to the trustee says you have electronic grs issued electronic devices this is the way you're going to get it unless you return the device and then i'll give you hard copies so tomorrow if this policy isn't adopted it's still up to the chairman so how that information is disseminated and if the chairman says i'm not going to give you hard copies regardless then you know unless the board overrules him that's what would happen if you adopt this policy the policy will provide that information is disseminated electronically or i mean to those who have grs issued electronic devices or if you don't have grs issued electronic devices then you will get hard copies okay i agree with you uh uh council except for one thing and that is if we are having a zoom meeting like today should should the trustee use his own device yeah since since uh go ahead go ahead go ahead since since you would take away the device a trustee had and if we have a a zoom meeting what would the trustee use should they use their own device or if they don't have one then

2:03:28 what well okay i i don't know if you say if you take it away my understanding is all trustees are issued a device but trustee dorsey has opted to return his device that's the decision that he's made so that he can receive hard copies if you're saying if he doesn't have any electronic device how does he appear by zoom he can either do it by using his own device or he can come to the office if coming to the office is not an option or he doesn't have another device he can use then that's something i think he needs to discuss with the chairman as to how he's going to be able to participate in the meeting and they'll have to make some decision or some accommodation okay mr chairman i think we should assign to the policy committee and get a full picture of the devices the documents and how have this discussion then this is getting what a member ligard raised is another issue that is what discussion what i don't think we should do it now and i think we should table your uh resolution and then discuss it in the policy uh committee okay okay because i think member member um smith recommendation was pretty cool but now uh remember like i raised an issue about the equipment and so on participating in zoom and now we got to discuss that a little more can i respond yeah sure so we'll table the resolution yeah yeah and i could bring it up in my committee and and then people will participate and we'll get up we'll get an amendment to move forward because we need one because we're using internet and

2:05:30 everything a lot so you know i i don't i don't yeah we could we could bring it up in my committee i mean i i i i i i i think that the the preferred way for us to communicate that kind of thing would be electronically i mean throughout the towards new islands and throughout the nation hundreds of thousands millions of of of young people students even elementary school getting the full education electronically. We went through two years of COVID, and all the classes were being done electronically. Nobody was printing out anything to anybody. And these are elementary school people. I mean, we are big adults. I don't see why the agency should be printing out hard copies for anybody but but but but so uh if if there is an exception yeah yeah can we recognize an exception yeah that's what i said that's what i said because of um that's why i said we have to have an exception like like his situation yeah the draft policy does provide that if it's impossible to do electronic um dissemination then it'll be done by hard copies under whatever circumstances whether it be medical or because of whopper or because of some other situation okay mr chairman would you please move that motion again and i will second it i move it already so move with the exception and i think we already discussed the second what's the motion now i'm not sure i understand it i know what you second i know what you said member smith but what we second in now motion is to adopt the electronic dissemination of information um to the trustees who have been issued grs issued electronic devices

2:07:50 or hard copies to those trustees who do not have grs um issued electronic devices but should there be you know i don't have a wi-fi from grs you know i have to come to my office but you were right you requested one i i think now i think the policy should be a little more inclusive of the equipment that's being provided and the equipment that's been provided to me don't include uh a wi-fi so i have to come to my office every time to participate with my wi-fi i can't participate from home or anything like that so i think we got to explore it let's table this and have this discussion another time okay all right table it but in the meantime in the meantime mr chairman if mr dorsey uh needs copies would he be able to receive it yeah he said you bring him up the device yeah once trussie dorsey is is able and he's recovered he's not he he will ask back to his um electronic um devices but the thing about it now this is the exception that he needs the hard copy and i don't see um you know what's the issue here it's either or let's table it let's have this okay yeah yeah um item number four

2:09:42 item number four um to accept the investment committee's recommendation to implement the revised policy targets as presented by the investment advisor um it was oh i'm sorry my bad my bad i checked it out for some reason i'm sorry let's go back item number three was to authorize administrator to begin negotiating with the vendor for the vtech software update um i had this put on the agenda it was we had an extensive presentation by the it or it division during the board retreat as to the vulnerability of the system as we are operating on software that is a few versions behind and the event of that software they're no longer providing support quote-unquote um for the version that we're on as a matter of fact there's just a few engineers for my from the presentation there's just a few engineers still with the company that are familiar with the version that we are on so i it's my understanding that we hadn't been doing upgrades you know because of course it insolvency was was imminent was looming and you know if you about to go over a cliff it really don't matter you know what kind of vehicle you're riding in but now that we're a little we get pulled back from the cliff a little bit I think that we it's imperative on us that we do the software upgrade if you understand technology you understand just how vulnerable it is to be operating a software that there's no support for it's disaster waiting to happen and since during my tenure as chairman of the board i think it's the one thing that really really really um has me has me nervous or that i'm uncomfortable

2:11:46 with um having a major issue with the software and canada support us that's what's that i retain coming and i'm going to go far for this building you know you could always if you have damaged our facility you always could could operate from another facility we have damage in st thomas we could operate from st croix and vice versa but when you have a major software crash and there's no support for that um i i don't even know what kind of walls you used to to to describe it um mr nibs if you want to add anything to that you could no i i want to add before mr nibs um and i'm sorry to interrupt because wait wait wait wait wait trust you Well, this matter was brought before the board in the board retreat. The last, the Friday, and a lot of trustees were not there. Only think two trustees or three trustees were there.

2:12:45 And significant issue, brought significant subject matter regarding the loan program and the issue of vulnerability of the V3. uh we brought it obviously it was discussed in the budget committee and we were forced we did put it into the budget however we were limited to the amounts that were in the um that the actuary had uh recommended for administrative expenses of 15.6 million so we didn't have any way of funding funding the the appropriation i mean the um procurement of this and you know we need to get this done as soon as possible um find where we can get the funds from i did make some suggestions for the new chair um however mr thomas is here who is the chief it he may want to he has more up-to-date information that i do you may want to weigh in mr thomas hi uh good morning everyone good morning to members of the board of trustees um as mr nibs and chairman carl pointed out uh at the last board retreat we made a presentation regarding our v3 system um for those trustees that may not be familiar the tree is the pension management system that grs uses to manage the entire pension management portfolio so it's not just for retirees but it's for active members it's for beneficiaries it covers the whole waterfront um when it comes to how we operate here grs it's the largest system that we have here and uh it also allows grs to deal with the loan program as i pointed out uh last i think was last july we are in version eight the current release is version 10. um just to make a

2:14:55 slight correction to what chairman callwood stated we do get support for release the version we are in version eight however as time moves forward uh more and more challenges are coming up with getting that support and the most recent challenge that we um will face with is most systems that are in place now are requiring what is called two-factor authentication meaning you just can't sign on to something you have to provide a secondary means of authenticating into the system. This is for a member self-service module. And the release where on does not support that. The company requested and required that GRS provide a note indicating that we waive the two-factor requirement because the release where on doesn't support it. If we wanted to implement it and release it, it's going to cost us tens of thousands of dollars because that technology is old and the people that support it are far and few in between so the move to uh what is called vitriolosity v10 is something imperative uh in checking in notes on the development of the current system that we're on began in 2011. so you're talking about hitting up uh on 12 years now of being on this uh version 8 software and if you're familiar with the technology work 12 years isn't even considered old it's cancer prehistoric a lot of the technology platforms that the system were built on are no longer available for support and so we've had to come with a lot of workarounds just to make things work just this week alone in getting the 1099 rs and 1099 ints out all members we spent a considerable amount of time with vitech tech support in working around some issues

2:16:55 that in the past were not issues but because of where we are with this system they pose problems so uh in a nutshell it is imperative that we move forward doing this upgrade if we want to continue to manage the system's pension for both active and retired members all right thank you mr so we've got same questions sure well okay thank you do we have to actually update this system or could we get a new system that is more conducive to our needs and what would be the cost okay let me tell you the last question of i don't know what the cost would be um the decision to move forward to upgrade is based on the current platform we're using what i can tell you trustee russell to answer your question is if you decide to go to a different vendor the time frame for making that conversion might take three to five years the reason being um there's a lot of data in this current system um you know it's just a monumental undertaking am i saying that we should stick with the vendor we have not necessarily but i'm just letting you know that there are some imperatives involved in making a switch from one vendor to the next um grs is a member of prism which is a organization it's a public retirement information systems management i have colleagues that are migrating from one platform to our next that have been doing it for seven to ten years i haven't finished yet so um the time frame we're looking at to move from eight to ten is a shorter window so you know at this standpoint from where i sit it makes more practical sense to move to release 10 than to see we're going to drop the vitex system altogether and move to something else and then push the upgrade window out at least three to five years the only reason i when we went to this last conference right uh in las vegas there were several vendors that had you know comprehensive systems that they were put in foot and i i i met with the okay would we we're not changing vendor how much you gonna cost to upgrade and how long you gonna take okay the cost we're looking at is between seven to seven and a half million um the upgrade process we are looking at completing this by the start of fiscal year 2025 so that would put us in october of 2024 right now the longer we wait the more we push that upgrade window out those dates came up um roughly a close a year ago

2:20:03 those are the original target dates that we had put in place okay so um what you need to get the money you need the money well yeah everything starts with dollars and cents so that is is there a way to stagger the payment and start the upgrade now that's seven million dollars a lot of money that's a decision let me say this i think there has to be some sort of down payment made as a matter of fact we have a meeting coming up internally with the team that's kicking this off but we really can't start the ball rolling until we know that once we start down this road we can finance this project so okay so then we need to finance it now and start the project and start at the payment because seven million dollars is a lot of money it could that be done uh i can't answer at this point in time because we just received the statement of work from the vendor we're going to be reviewing a statement of work we're also going to involve our legal department for them to review it for legal sufficiency and then we go from there okay i think you could look for a discount miss on because that a lot of money thank you very much mr chair i have a question i'm sorry all right go ahead yeah um from my perspective i mean the the the need for the project has been well established we had we had a comprehensive presentation at the retreat we had a a a follow-up um justification from the staff when we're doing the budget and you you may recall that when we prepared the budget

2:22:05 in the budget in the budget um report um we indicated that we recognize that we will have to review the budget um to accommodate to accommodate uh this this project we specifically recognize so so i mean the the need for the project to me is well established i i had a a couple of questions um from mr neves first of all i saw two numbers here once at some point it was 12 million one and then i saw something total about seven seven point two million so which okay that 12 million that you're seeing um trustee bowery is the in reference to the initial system back in in 2011 2012. oh okay that's 12 million that's 12 million dollars in 20 2011 money yes okay well it's add-on it was i think it was less than 12 however those are i launched through never had 12 million come up too well okay but it's 12 million dollars today okay but but that's for the old system yes okay okay okay so that time for the question so um um obviously the only other question i had uh i don't know relevant this is but i'll ask it anywhere mr nibs is this something we capitalize yes it's capitalized huh it's capitalized yeah so so it's considered as part of the capital budget as opposed to the operating well when you say money to me on the call when you say capitalize i mean i meant you put it on the books and and depreciate it that's one of the years yeah capital project i would uh i would put it on now i would say it's operating and those doing that in conflict anything i mean

2:24:14 i don't consider it a capital project so but you can capitalize it so accounting we're talking a company yeah something wise you got to put it on it based on the fixed asset policy yes yeah okay okay so the money the money we're looking for yeah i mean i understand okay um so so it's almost seven and a half million dollars and we have to come for that over what time frame um go ahead mr name sorry no no no go ahead and that would more than likely be spread over the the project life like i said i don't know what the payment schedule looks like yet because like we just got i was actually on vacation when it came in the statement of work um from the vendor and uh in a week or so we're going to be getting together at least the initial team to look at what's in there and then we're going to include some of the other lines of businesses as we move forward this project so um i can't tell you what the payment breakdown is okay okay so so what do you want from us today what do you want to authorize what do you want from us uh in terms of their project i guess well this would be something going to mr nips but once we do the statement of work and we and it gets green light light in terms of its sufficiency and everything then the next thing will be to engage vitek with a payment and a project plan okay yeah okay so it's a green light piece i'm trying to get through mr nips

2:26:12 what what is it you want you want to be authorized to start the negotiations with the understanding that the project is going to cost about 7.5 million dollars presently it cannot be um obviously we submitted it in the the budget however we it was uh told that we could not support is 7.5 we have to put money on the table now okay okay exactly where we're going to get these funds from i've made recommendation to the chairman in regards to a way we can avenue we can probably uh do it over three tranches um as a loan from maybe havenside mall havenside mall has sufficient funds we have surplus funds in the budget we can come up with some type of loan structure between grs and haven side more even size more loaning then over three tranches not five 7.5 million one time maybe it increments three or four tranches we did about three or four scenarios and that is what is on the table i would think unless you want to go into the portfolio and take it out a market from the portfolio i would rather do it if we have surplus fund we do have surplus funds in even site mall accounts we can do a loan promissory known legal written document three tranches to get the monies with us a reasonable interest rate and payback period so what would that would that need with authorization too i would think so

2:28:02 okay so so you gave so you have three options you said so what is it you want us to do you have a for adoption so let me let me interrupt mr mr um let's see trustee bory so my intent when i put it on the agenda was to give the administrator the authorization to go and start the negotiation negotiation so that when it comes to us now to decide how we can finance it we know exactly what we do you know we have to put on x number of dollars we know that this is going to be the total cast you know that we'll be able to spread it out over 18 months six payments you know the specifics that's that's what i wanted also authorize him to go out and negotiate so that when he comes back and we figure out how we go fund it we're dealing with specifics okay i'm i'm good as i said i i was sold since yes since back when we did the retreat i was sold on this on this project so all right i'm i'm i'm going all right okay uh mr chair yes sir i think i think we should ask the legislature for the money we're trying to provide services to members 16 000 and access to the system which mr douglas he was uh thomas mr thomas was talking about and we could just when mr nibs price it ask the legislature for the money they got surplus money so i want to have that as a consideration for funding it so we don't have to borrow no loan from him aside uh senator also we had another option which we have filed for a grant from the uh department of interior

2:29:59 oh okay good i i the last time i spoke with mr jeremiah it was in the pipeline on you can go up and see that we did file for the grant okay good but we do have a we we did file we're not sure if we can get it they didn't respond but we know it's in the website that we requested get money to the department of interior technical system okay good well i like to keep all options open definitely not drawing down from the portfolio but some kind of institutional grant as you mentioned or the legislature thank you very much can i get a motion to authorize it i have a question chair oh sorry go ahead um trustee so this issue came up before uh mr niz and mr thomas it might have been just before trustee russell came on the board and way before the retreat and back then we had a discussion about going back and revising some of those outstanding records and back then you were saying that you had outstanding outstanding uh equipment in terms of the software and the capacity and you had a lot of a lot of what you weren't able to do and you didn't want to open up certain boxes because you indicated that the information was available and i remember asking you at the time if you guys had the staffing to put it in or if you could hire uvi students to assist you guys in any way and i do remember mr niz mr thomas attorney smith and attorney myers having some issues with those comments that i made because we were talking insolvency and who was paying who didn't pay their fair share so i think what i didn't mention at that time mr thomas there's a gentleman across the hall from you um cardo rhymer he does the um computer systems for the

2:32:07 division of personnel he was able to put the packages together where a lot of us are receiving old retros from decades back and he's been doing that even before this administration it may be a way that we could use his services to assist you guys and maybe beefing up the years to get this system online yeah i was wondering if we could um beef up the years because the last time we had this discussion you indicated would take several years again to get the system up and running a new system and i guess my question is to mr thomas one if it's possible to have that communication with mr reimer and two is there a system that we can look at that can put us ahead of the curve because we seem to always be behind the curve so this new system you're proposing would it put us ahead of the curve let me let me pass on this one um quarter and i are very good friends we work collaboratively on a number of items between grs and division of personnel as a Matter of fact, one of the things that we're working on with them right now is an electronic NOPA feed for the central government so that NOPAs don't have to be manually entered into the system and we cut down on the amount of errors that take place when people put NOPAs in manually. So let me just put down the record for what is worth. Number two, on the systems that Mr. Reimer works with and the system that we work with at GR is the two different systems.

2:33:54 We are keeping track of a lot of data, particularly contributions of the members. And we're also running payroll every 15 days. All right. So we have a, it's a, it's a very complex environment that we're running. Also, you recall Trustee Dorsey, there's a push or a request, a requirement, whatever you want to call it, for GRS to restart its loan program. So now you're going to be introducing an element into the mix that we haven't been involved in for quite some time. We've just been servicing existing loans.

2:34:33 We haven't been booking new loans. There are some requirements when it comes to that as well. For example, in the current system, the only way you can get a loan payment is a physical check. there's new requirements for you to make those payments to people lending money electronically via ACH. So those are things that that's something that would have to be put into the new system. Overall, this system isn't something that we develop internally. This is something, a system that was developed by a vendor. And because it was developed by a vendor, any upgrades taking place is handled at the vendor level.

2:35:15 This isn't the only upgrade that we're doing here at GRS. We're currently engaging in the upgrade of our accounting and finance system. However, that system is way smaller than the V3 environment. I think you're referencing the amount of data that's in the system or data that needs to be cleaned up. That's an issue that internally GRS has been working to resolve. i can't speak fully to that because i'm not on that side of the house that's an internal control issue my focus is on making sure that the technology challenges that uh come up with this current system can be um limited and and actually uh done away with um you know like i mentioned before we have these for example um to make sure the security is enhanced the current system we're using is using security parameters from back in 2012. um you know and plus there are other challenges as well the platform the development language i don't want to get too technical but there are tremendous amount of benefits that we are not able to leverage because of the system we're on and for my world there's two things you do you deal with a system okay it's like you buy a sports car it's up to you to drive it at a hundred miles an hour or not but right now what we're dealing with is a system that is becoming more difficult to support because it's aged i hear you i'm in it i'm in total agreement that it needs to be upgraded you know you have your security issues that the vendors telling you about so i'm in 100 i also agree with trustee russell if the grant doesn't come true mr nivs

2:37:05 i think simultaneously we should be speaking to the the new finance chair that this is what we're up against because we're all in this together i don't see seven million dollars being a problem coming from the senate for this critical item for the entire system so i'm not i don't know why this i don't know maybe it went to a committee because i wasn't here for a minute but i would like to have asked more questions on it but this is not the time because it's in the general meeting but that's all i had but i think cardo reimer would be able to help you he's worked on bigger systems even the one he's working on it from my understanding let's let's have an agenda to get true this matter was discussed at length in a board retreat all as we force today is to authorize the administrator to begin negotiations so that when it comes time to figure out the financing you know exactly what we're dealing with that's all let's be forced let's not lose focus so can i have a motion can i have a second to the motion to authorize the administrator to begin negotiating with the verna for vitex software it's been moved by trusty smith can have a second please second move by trusty smith seconded by trusty bowery can have a roll call mr names i see barry yes trusty dorsey yes let's see liger trusty liger absent trustee mcdonnell absent trustee russell yes trustee smith yes chairman carlwood yes five yes you're absent all right thank you item number four for accept the investment committee's recommendation to implement the reverse

2:39:06 policy targets as presented by the investment advisor in tuesday's meeting um mr nevdo you want to give a brief synopsis well the the trustees um not the trustees i'm sorry investment advisor nikita presented at the investment committee meeting and this as you know in the uh board retreat we had accepted uh certain targets portfolio in regards to the contents of the portfolio uh however in the initial policy uh uh target it did not include this uh cash which uh ordinarily drs has reserved at least uh 20 million dollars hold 20 million dollars in cash for any drawdowns or shortfall so what they did is the um we discussed it with them that we needed to maintain that 20 million in cash that we have always done and they moved uh i think of the weight of five from investment grade yield bonds to cash so now the new current uh policy target has changed to include cash so that was presented i think it's on page six of 56 of the presentation of nikita so that's what we're trying to get approved i'll make one to dark comment mr niv mr chairman if i could we usually hold one one month of benefit payments so as mr niff stated is 20 million because of course now the payroll the retirement pay retiree payroll in a month is usually like 20 something million dollars so in the past you know in the past you know it might

2:40:54 have been 15 million or what's that so it's it's generally one month been one month worth of benefit payments yeah i i think we need to amend or do we need to amend that to stay just one month of benefit payments instead of a figure 20 million do we in other words it should be amended not to say state a dollar amount but just one month of benefit payments right yes presently it's more than 20 million i mean if one is running you close to 23 million now so we use the whole 20 million yeah well they're just amended to one month of benefit payments so that we could cover it that's 20 million it's still about the same five percent that mikita is um has updated the proposed policy targets so the five percent will still walk on on trustee trust ruffle okay well trustee i'm sorry mr henderson i just have another question in reference to the cash position of the one month scenario um is there any way that we can see that as a three month window equivalent to three months i think at this point given given the you know we have on the note given the current um the current trajectory as to how we how we drive i i don't think that holding three months worth is is appropriate right now i think we want to stay as as fully invested as we can but we still need that at least that one on cash cushion um just in case of any event of anything um as time goes on you know things change and if liquidity becomes bigger

2:43:02 issue down the road then of course we could look at it and say we need you know three months six months worth of cash on hand you know hopefully it doesn't get to that point but i think one month worth now even though we're wearing index funds and we could probably call those funds pretty readily i think one month is sufficient uh along the line so five percent in terms of that amount how much does that add up to uh 20 million a current with current market value right now in the plan there would be about the 20 million okay so mikita's recommendation is just five percent without a figure a dollar figure right depending on our portfolio it could rise or it could be you know it's it's flop it's flexible right that's what you're saying okay so their recommendation on hand would be to decrease the investment grade bonds by five percent right now right now the target is 15 so we reduce that from 15 to 10 percent and then we'll add the five percent of cash and it's it's not gonna it's not gonna be a meaningful a meaningful change to the expected return i think originally the expected return was 4 and with that change it'll be 7.3 so it's not a meaningful big impact to the expected um and it also it also reduces the overall risk of the portfolio as well so you recommend it yes i do okay good okay thanks all right can i get a motion

2:44:57 to accept the investment i move that we yeah i move that we uh accept the recommendation that mr henderson just stated to reduce the portfolio by five percent to have it cash on hand so well you know it's not a recommendation if i if i may um trust you also i think what we're trying to do so the recommendation is to advise the asset allocation policy okay i stand corrected yeah yeah as presented to allow for a five percent um cash allocation yeah okay and i i accept that amendment to my motion yeah okay so what what what what what what what they're proposing is that on on the current on the current policy that has has approved we have um um no there's no allocation for cash and we have a 10 allocation 15 allocation for for investment grade bonds and what they're recommending is that we reduce the investment allocation to bonds from 50. hello we got power and water excuse me sorry sorry for the interruption sorry okay so the recommendation is to is to use the 15 allocation to investment grade bonds from 15 to 10 percent put the five percent toward cash is that it is that it mr um sanderson right yesterday so um so that's that's that's the motion yeah i accept the amendment but we don't have a second yet

2:46:58 seconded okay moved by trust move by trustee russell seconded by trusty barry camera roll call please games can i hear you messenger trusty bar yes look like i'm having connected issues trusty dorsey trusty dorsey yes trusty liger yeah trusty mcdonald absent trusty russell yes trusty smith yes chairman carlwood yes six years one absent all right thank you um i want motion to go into executive session please i'd like to make a motion to go into executive session and this meeting will be closed to the public for matters pertaining to trade secrets or financial or commercial information or personal or legal matters or matters whose premature disclosure will frustrate the implementation of the proposed agency action.

2:48:42 Do I have a second? Second. I move by Trustee Smith, seconded by Trustee Lyga. Can I have a roll call, Mr. Nebs? Trustee Bari? Yes. Trustee Dorsey? Yes. Trustee Liger? Yes. Trustee McDonnell absent. Trustee Russell? Yes. Trustee Russell? Yes.

2:49:10 Trustee Smith? Yes. Chairman Talwood? Yes. six yes one absent six yes one absent mr chair yes sir i i have to leave the meeting i get a call from the court and i got to address to something so i won't be in the executive session and i try to come back into the meeting if i if i take care of what i have okay i have to leave the meeting okay all right please excuse the session thank you okay all right mr nibs you want to introduce um miss everybody else turn second number we'll call mr nibs yes let's see dorsey yes trustee liger yeah trustee mcdonnell absent trustee russell absent trustee smith absent chairman carlwood yes oh yes three absent all right this meeting is hey bye joan thank you everyone for your participation and your time have a good day thank you very much have a good day everybody Thank you.

People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke · only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

6x **Trustee Leona E. Smith**
heard in this transcript as: Smith

6x **Trustee Ronald Russell**
heard in this transcript as: Russell

6x **Trustee Vincent Liger**
heard in this transcript as: Liger

4x **Trustee Andre Dorsey**
heard in this transcript as: Dorsey