



Government Employees Retirement System Monthly Board Meeting

GERS Retirement System (Board of Trustees)

recording published February 27, 2020 · 2.6 hours · gov

Source recording	https://youtu.be/cpRE3YxEgkg
Status	This is NOT the official transcript. 3 V.I.C. § 884 requires the agency itself to make a verbatim record of its proceedings and reduce it to a transcript within sixty days. This is a working transcript produced by machine from a recording of the proceeding, offered as a finding aid.
Transcribed by	VI Update, using OpenAI Whisper large-v3-turbo, run locally. Not reviewed by a person.
Reliability	Automatic transcription, UNVERIFIED. Verify every quotation against the recording before relying on it. Speech recognition splits spoken digits and wraps figures mid-number, so a dollar amount, a vote count or a bill number can be wrong in a way that reads as correct. Speakers are not identified: automatic speaker labelling was measured unusable and removed.
Public record	The underlying proceeding is a public record, and this body is NAMED as a governmental agency in 1 V.I.C. § 253(b), so its meetings are open to the public under § 254. 3 V.I.C. § 884 requires it to make a verbatim record of each proceeding and reduce it to a transcript within sixty days, and § 884(b) makes that transcript open to examination under § 881, which also gives every citizen the right to copy it and the news media the right to publish it. The source recording is not ours, is not hosted here, and remains with its publisher at the link above.
Rights	To what we added - the transcription, its arrangement and its description - we assert nothing. A verbatim transcript is mechanical rather than authored, so there is likely nothing in it to own; to the extent any copyright is nonetheless found to subsist, it is dedicated to the public domain under CC0 1.0. Please copy it, quote it, index it, train on it, republish it, mirror it, sell it. Redistribution is the point: a public record with one copy is one fire from gone. No permission is needed, and none is ours to grant or withhold.

- 0:00:00 Closing is the sale, so it depends on what date we're looking for. What is the date that we felt that we should sell the asset or the date of the closing? Well, given your explanation, it would be the one that dated the closing that I am interested in. Well, it's in June. I can't give you the exact date, but I know I looked at it yesterday. No, I'm not looking for the date. I'm just trying to find out if every single member voted yes. I'll have to go back and look at the count. But I know it had to have been an unanimous vote.
- 0:00:35 Well, not necessarily a majority vote. Yeah, exactly, a majority, but I want to know if it was unanimous. Okay. So if I could get that at some point. And the other question was, what's the status of Coakley Bay property? the property that's going to come up in the in the session this morning i have something that i want to discuss about so you know if you if you're here you'll understand exactly what we're talking about okay okay and the last one was uh your renters the ones for your building in st thomas uh they build in haven site mall and what are they all up to date same thing as part of my report that will come up okay you know about you know half an hour okay thank you thank you mr oh here at the same time any individual individuals comments or questions presentation Just in general, oh, yeah, oh.
- 0:01:44 None? Okay. Oh. Trustees, last month, the members of GRUF were supposed to make a presentation at the regular board meeting, which was postponed, and they were unable to come to the reschedule meeting. So we reschedule them for this meeting, and they're here today. And I'd like for you to take a listen and let them do their presentation.
- 0:02:19 Thank you. Thank you. The floor. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Excuse me, could we get a copy of that sent over to St. Croix? I would say you're working on it thank you Thank you.
- 0:03:59 Good morning, Mr. Chairman, Dr. Wilbur Callender and members of the Government Employees Retirement System Board, Administrator Ms. Dotson-Libs, Legal Councils, all of the GRS employees. Ladies and gentlemen here present, I am Jeanette Smith-Barry and today I speak to you as a member of the organization, Government Retirees United for Fairness Incorporated.

- 0:04:52 Other members present will now introduce themselves, starting with those seated up here. Our president is the chairperson of Government Retirees, United. Excuse me. She'll have to speak up. I didn't get the name for the report, please. She's here. Me or you? Okay.
- 0:05:20 okay government my name is helen hart chairperson for government retirees united for fairness barbara isaac board member director francis board member ronald omega council harry blyden board member laurie van holten lakas secretary Can you repeat your name again? Maury Richardson, board member. Can you repeat your name again? Lottie Ben-Holton Lockard, secretary. Thank you. Maury Richardson, board member.
- 0:05:58 Laura Roberts Richards, board member. Denise Brun-Joseph, board member. Laura A. Isaac, board member. Thank you. This entity, which goes by the acronym GRUF, was organized in 2013 and is comprised of retirees who have served the government of the Virgin Islands for over 20 years, many for over 30 and 40 years, who have contributed to the government employees' retirement system and who are now seeking to maintain a decent standard of living using our annuities promised through legislation. We gave our time and service to this territory with a vested interest in the GRS. We have organized for three principal purposes.
- 0:06:51 To represent and promote the interests of government retirees, to promote our rights and benefits as VI government retirees, and to do our part to protect and preserve the Virgin Islands government employees' retirement system. Members of GRUF are here today because GRUF is gravely concerned about the immediate and long-term future of our retirement system, which is key to the very survival of retirees throughout this territory. We are here because we are aware of the pending insolvency of GERS and we strongly believe that there is a way forward that can address the pending insolvency, but that requires support, commitment, collaboration, and leadership from GERS.
- 0:07:42 GRUF started its efforts in early 2017 with our attempt to help make GERS solvent by sponsoring, promoting, and funding an initiative via Section 12 of the revised Organic Act to address the unfunded liability. We had gathered over half the signatures needed to have the initiative become law, but we were forced to abandon the initiative after hurricanes Irma and Maria struck the islands. Gruff had incurred expenses for legal advice, drafting of documents, travel, media advertisements, and other professional services. With in-kind services and paid professional services, we spent over \$10,000. In 2018, we renewed our efforts to help make GERS solvent, and we have now reached a point where we must directly address you, the members of the GERS board. Members, Gruff wishes to express our full support for a congressional petition seeking return of long overdue gasoline excise taxes to the virgin islands consequent for you today to request from the g hello hello hi go ahead i went quiet why are you hearing us now yes uh which part you didn't miss when she began to make her state the request after the hurricanes gruff wishes to express our full support for a congressional petition seeking return of long overdue gasoline excise taxes to the virgin islands consequently we have come before you today to request from this GER's board buy-in commitment to the effort and needed financial support to help ensure success of the initiative to have long overdue gasoline excise taxes returned to the
- 0:10:04 virgin islands members of the board we are convinced that our retirement annuities are being threatened the threats of financial collapse of the system have already caused undue stress and anxiety and despite numerous campaign pledges and proposals of the last election the situation at GRS described as imminent pending insolvency still seems direct today we are realizing the only answer is substantial infusion of capital to keep our retirement system solving hence we ask for your commitment and your financial support in an effort to petition congress to act in our favor applying section 28a of the 1954 revised organic act which states the secretary of the treasury shall determine the amount of all taxes imposed by and collected during the fiscal year under the internal revenue laws of the united states on articles produced in the virgin islands and transported to the united states the amount so determined less one percent unless the estimated amount of refunds and credits shall be subject to disposition as follows there shall be transferred and paid over to the virgin islands from the amount so determined as summed equal to the total amount of the revenue collected by the government of the virgin islands during the fiscal year as certified by the government control of the virgin islands that is the same language that has been used to return wrong cover over monies to the virgin
- 0:11:55 islands and was applied when the watch factory was operational gruff contends that the application of this same language should be used for return of excise taxes on gasoline manufactured in the virgin islands these monies we contend should be used primarily for the ger system the matter of the return of excise taxes on gasoline shipped to the mainland was researched and proposed decades ago as evidenced by a presentation to the 23rd legislature prepared by then retiring presiding judge of the territorial court judge verne a arch he argued convincingly that a unified effort to pursue this effort through congress could yield substantial revenue back then he He asserted that in just three years prior, the federal government had collected almost a billion dollars in gasoline excise taxes. Further, just last year, Senator Steadman Hodge's bill was passed to urge the governor and the delegate to join the 33rd legislature in petitioning Congress for an amendment to the Revised Organic Act to amend the language to provide clearly that a portion of the excise tax collected

on gasoline that was produced in the virgin island be returned to the treasury of the government of the virgin islands senator hodge provided data that showed that by applying the law revenue figures could total over 12 billion dollars just between the years 1990 and 2000 Groff agrees that this effort has the potential to help save GRF and Groff is convinced that the time is ripe to push again to get what these Virgin Islands are entitled to and what is desperately needed to improve our financial situation. Groff has outlined a course of action that requires the full support of Virgin Islanders

0:14:06 here and abroad in this effort, Congress to honor the provisions of the 1954 Revised Organic Act, which provides for the Virgin Islands to receive economic benefit of all products manufactured in the VI and shipped to the U.S. mainland. Our draft congressional petition states, We, the undersigned United States citizens, support the Virgin Islands of the United States of America in this congressional effort to allow for any United States tax on petroleum imports from Hess Oil Virgin Islands Corporation and for VENZA to be paid to the Virgin Islands as intended by Section 28A of the 1954 Revised Organic Act. We recognize that this course of action involves Herculean efforts to gather signed petitions, develop a public media campaign, make use of the internet, secure additional legal help, and garner complete territorial support. is also needed to gather information on the history of the revised organic act and its application to canvas lobbyists in washington dc for dissemination of information for a full-time writer for petitions and for someone to manage an online platform as signatures are sought nationwide through the internet using Facebook.com, Change.org, and iPetitions.com.

0:15:49 We will need the help and support of Virgin Islanders here and abroad to advocate for our congressional petition asking Congress to honor and revise the provisions of Section 28A of the the 1954 Revised Organic Act. With adequate funding, this initiative can be properly executed to improve the likelihood that possibly billions of dollars due to the Virgin Islands are returned, especially to provide GERs with needed funds to ensure solvency. GROF anticipates that research, signed positions, and draft options for proposed legislation will be ready by this year, September 2020, after the two national parties have selected their candidates for the 2020 national elections. GRS buy-in, public input, and support from our elected leaders are absolutely necessary, as well as the legal, medical, and environmental research that must support a solid, well-drafted summary of the territory's entitlement, which should be presented to the presidential candidates and their teams.

0:17:14 are requesting that this GRS board vote to support and fund these efforts. A list of estimated expenses for this undertaking is attached. Please sing the following page 4 on the estimated list of expenses that you should have in your possession. Graf has estimated that with media, TV, radio, the newspapers, the internet and the petitions as well as supplies and materials would total about \$25,000. That using part-time student employment on both St. Thomas and St. Croix for nine months and other miscellaneous items in the plan could total \$25,000. For consultants for internet services and data collection services, estimated total \$15,000.

0:18:18 And for legal, medical, and environmental research and attorney's fees, we estimate \$45,000 dollars for a grand total of approximately a hundred and ten thousand dollars please note that gruff's plan for utilizing grs as a funding source would allow grs to issue all checks our only request is that we be allowed to approve the monthly invoices for services prior to issuance of checks and the full report of monthly expenses will be submitted every month conclusion members of the GRS board mr. names administrator we the representative members of government retirees united for fairness incorporated Respectfully request your favorable consideration of our request to give full support and funding to this effort to petition Congress for return of gasoline excise taxes to the Virgin Islands, as prescribed in the revised Organic Act.

0:19:34 We have seen no other viable proposal with the potential to turn the tide on the decline of our retirement system and we are deeply concerned. We believe that you too are deeply concerned. As Virgin Islanders, this threat of insolvency added to the serious issues related to our health care, education, public safety, financial stability, and high cost of living here, is creating much anxiety and not just for retirees either. Given that, we assure you agree with us that there is a grave sense of urgency in this matter. We trust that you will agree to play a pivotal role in this effort to push for the billions of dollars this territory can receive with success of this initiative this concludes my presentation on behalf of gruff members here present are willing to answer any questions you have relative to this matter specifically gruff chairperson miss helen hart treasurer miss barbara isaac and board members and retirees mr hetito francis are here today and prepared to further expound on and clarify issues of concern on behalf of gruff government retirees united for fairness i thank you very very much for this opportunity to make the presentation we trust that our grs board will approve our request and fully support our efforts we do look forward to hearing from you in the very near future thank you very much thank you man thank you thank you

0:21:36 seems as though everyone is doing the work That should be done by the legislature. If I could bring me a check for \$110,000, I would do it right now. But we don't want you to just to comment. We clearly said, don't give us the money.

We want you to issue the check. Just want to involve in how we spend. We don't want the money. I understand. I understand. don't refuse any money right no just to protect everybody grs would and that's what i want to make clear grs would write all the checks don't give us trustees of st croix any comments any questions This is Dr. Cohen. This is the first I've heard of this. I'm wondering if other entities such as the government and Governor Bryan have heard of this yet?

0:22:52 of this proposal of the incentive redirecting the promised or unspent gas tax or redirected okay I don't understand the question because Senator Steadman Hodge I'm sorry Miss Isaac can you state your name for the record before you start sorry Barbara Isaac Senator Steadman Hodge was the senator that proposed this initiative and it was voted on by all the members of the Senate to go after this money. I think the Senate even appropriated some money to hire a lobbyist when the time comes to go after this money to help lobby for the money. In addition to that the proposal asked the delegate to Congress and the governor of the Virgin Islands to support this initiative and Senator Hatch called Gruffin to ask us if we would also like to support the initiative and anything to save the system and save our pension and our way of life we are willing to step step up to the plate too so yes the governor is aware of it yes the senators are aware The answer is no for this particular proposal.

0:24:39 Understood. Anyone else? Trustee Borby, Trustee Liger, any questions? I would just like to congratulate Groff. I'd like to congratulate Gough for at least stepping up to the plate to be involved in finding a solution to what is obviously a new crisis for us. Quite often we hear people speak of the problem, and we don't usually hear people talk about solutions. So my initial response is that to congratulate who are for stepping up their plate and trying to volunteer their assistance in trying to move this forward. Clearly, we know that's going to be an uphill battle. We've been to court before on this matter some time ago, and they were lost in the courts. I'm assuming that this initiative is geared towards Congress.

0:25:59 That's, it seems to me, kind of fruitless to go back to the court system. So, and the way Congress responds is to citizen environment and so, my initial response is positive. So I'm certainly willing to give some serious consideration to the proposals that we've got from there. Can I say something? Yes, please. My name is Barbara Isaac. The delegate to Congress has drafted legislation, HR 4198. Apparently that's what it's called in Congress, so the House of Representatives. and she's asking that the language also be changed the honest we wrote her a letter indicating to her because what she had put on the on her HR was that the effective date be December 31st 2019 that only includes lime tree and we wrote We wrote to her, we wrote to Delegate, Delegate Class K, and ask her to change the date so that the retroactive money with Hess and Ovenza is what we're after, not future money.

0:27:24 We want some of the back money. Okay, so just to clarify that. Understood. There goes my question. Yes. For instance, Mr. Chairman, you said that it looks like we're doing the work of the legislature, right? And they said it all the time, but they also said that we're doing the work of the GS board also. So we really hope that we all really consider coming in with us and doing this thing. Just like we're hoping that they still do the same thing.

0:27:57 We're just talking about perception. yeah yeah perception is not reality though the role of this system is not to find money to administer the funds that are given to us So we also have been going out there trying to find money.

0:28:36 But the situation right now, Dr. Callender, I know sometimes the board and the administrators and the legal council don't think that we want this problem solved, we do. So we are willing to do anything we can to help save the system while keeping intact our annuity and our way of life. None of us wants to face the prospect of cutting our annuity. None of us want to because our lifestyle will change. So we are willing to do what we have to do to fight, to lobby, to do whatever we have to do to ensure that our way of life is preserved mr. you're itching to say something and I was gonna say something similar to gruff is that I'm it's that this call was it is a belief by somebody some people in our community that the members of the board aren't taking the situation with this the systems as seriously or not doing everything that we can do i am the only member on the board who is not a retiree i am a potential retiree in short order all of our board members are part of i think except mr maynard smith but most of our board members our member our retirees receive annuity from this system so their funding is tied i am looking forward to joining the ranks of the

0:30:24 retirees in short order i also in my home have a person who relies directly on her annuity so the system is important to us because as the term in the states and for most of the pension boards we have skin in the game so we take everything that we do extremely seriously and we work diligently because it is our money unlike some other systems where they have the professional trustees and others who are managing funds for other people we are managing money that belongs to us the employees in the system are part of the system anything that happens affects their retirement attorney smith and i are supposed to go out around the same time so we're at an attorney myers we all came in around the same time so our retirement hinges our collection of annuities hinging on what we do as a board at this present time so we have skin in this game so we have to make sure that we try to explain this that when the digital the decision that we make affects us personally as well as our neighbors and our family members so at no point do we want people to continue to believe that we're not doing they say the board doing that the board is doing anything we do affects us personally I'm not going to

stop you.

- 0:32:21 listening to the proposal um i i concur with mr barry that it's commendable for the the organization to come with a proposal but i am concerned is that what is there standing in uh looking to secure this money over the executive and legislative brands who i think I see the executive as being the one withstanding to go for the money and I don't trust that the executive branch even if they're successful would pass the money on to GRS given the fact that everyone just agreed in the change of distribution of the seven million that GRS was getting previously. So while I agree with the proposal to try to get taxes, I don't see that we should risk the annuity of any further monies of the GRS to go after something when we're not guaranteed to get a return and we're not guaranteed to get a return because grs nor gruff has any standing in the fight that's that's all i wanted to put on the record thank you thank you ma'am um janet smith barry i just wanted to be able to clarify that the position of gruff is that the money won't be returned to the Persian Islands, not returned to GRS. That it be returned to the Persian Islands as prescribed by law. And then yes, it is the responsibility of our government to make sure that some of that money goes to GRS. And the second thing
- 0:34:17 that I want to say is that Gruff is not concerned about being the individual, you know the group, the entity to just go before Congress. We understand that this is in terms of having standing, it has to come through our executive and legislative bodies. They have to play a key role in that. In addition to that, we met with Senator Hodge, oh sorry, Barbara Isaac. We met with Senator Hodge. He called us in as a matter of fact. When they first passed, I was trying to think of the name, I'm getting to forget what. It was a resolution in the form of a bill, that's actually what it's called. He called Grovin to meet with him, the executive board, and we talked at length a lot of the documentation that we have, that we used to write letters to the executive branch and all the senators and the delegate to Congress.
- 0:35:23 We got from Senator Stedman Hodge, so we're not working in isolation. I almost feel that we feel, and I think they may feel also, that it should be a collaborative event undertaken it's not growth we don't want any credit the only concern we have and i think i speak for all our members is that we keep our pension and we keep our way of life so whatever we as a group could do to ensure that that's all we're interested in not publicity and who takes the credit the governor could take the credit the delegates congress will take the credit grs could take the credit that's not what concerns us the only thing we concerned about trust me is that we don't have to take a cut in our pension to change our way of life that's our bottom line that's all we're interested in so we're not competing with anybody we just want to help we want to help move it forward because if i trust judge von hatch and he has always felt that the money belonged to us if you're calling now he'll tell it to you he always felt that money belonged to us so so that's all we're interested in not publicity nobody has to call our name that's okay we just want to make sure we could preserve our annuity and preserve our way of life and we're willing to work with anyone we're willing if we have to form a committee and involve people from GRS to work with us to help us execute it That's fine. We don't want the money. We don't want it. GRS would write the checks. We just want to make sure, and I'm going to keep saying it, to preserve our pension and our way of life. That's all.
- 0:37:16 I've heard you saying that for years. Years. I know. I understand. Yes. So, Nip, do you have some comments? Yeah. This is, to me, in my opinion, this is something that has to be at the executive level. yesterday I met with a governor governor indicated to me two weeks ago he met the Treasury and he spoke to Treasury about this same issue he also spoke about the additional rum cover over money's coming with additional distilleries also spoke about GRS told me that they were receptive you know no commitments but they were receptive obviously they had a long way to go what he wants to do is develop a working group he even asked me what the name should be i said grs solvency working group who should be involved he agreed on the two retiree group should be involved he will be involved as a leader uh the board some more members will be involved the senate will be involved you know so i think this needs to come before him maybe you know somebody can send him a copy from your group so he would know that you were um you know getting involved in it but nothing is going to happen with congress without the governors by him right okay so since he's now ready to to to implement a working form a working group this need to be um you know given to him and discuss it with him after we met with senator stedman haj we wrote the governor okay lengthy we wrote all the senators and we wrote the delegate to congress as my fact she got two letters from us because after um senator had shared the hr bill with us and we realized that she wanted to start with line tree we wrote to her with justifications why she should take off december 31st 2019 so that the retroactive money is really what we after okay you know well
- 0:39:17 Since he has approached Treasury, like he said, and he wants to submit, he wants to create a working group, and I think maybe you need to address it. We will submit a copy of this, yes, we will, in addition to what we have done. Awesome. Thank you. This is very, very well appreciated and well presented. So we expect to get the official word or something. Yes. Thank you.
- 0:39:55 I like to talk sometimes, but let me just leave with one last thing is that to help to push for this, and I'm going to use that language, but push for this. We've been spending a lot of our money over the years. We've really spent a lot of money. I

would say almost upwards to \$100,000 because we had to pay Attorney Orlando to get that other money back and everything, \$50,000, you know, fundraise, whatever. We can do it on our budget. That's what needs to be done and this is why we ask for GRS to buy in to what we're trying to do in along with what the governor wants to do what the senators wants to do and what Honourable Stacey Blasketball students thank you very much thank you very much I kind of really like to know what goes on in here. I mean you're never home, but we're talking about other people, we can watch it from home or from when they're on, because it's like up to a session.

0:41:57 I'll make sure I know that it's never shut up to anybody. I know. I know. Okay. So we continue with the meeting, we need approval of the secretary's minutes for meeting held on January 29th, 2020. Any corrections, additions, deletions? If not, then I need a motion for approval i move except the secretary's minutes okay i'll second that that was miss carlwood yes trustee carlwood yes trustee barry yes trustee cohen yes trustee liger yeah trustee mcdonnell No. Absent.

0:43:20 Trustee Smith? Absent. Chairman Callender? Yes. Chair Five? Yes. Two. Absent. And the minutes have been approved. Communications and correspondence. Bear with me, some of this stuff. Letter dated February 21, 2020, Austin L. Nibs, CPA, CGMA, Administrator, Government Employees Replyment System, GRX Complex, 3rd Floor, St. Thomas, VI-00801, via email, anibscpa at usvigrs.com. Dear Mr. Nibs, the Committee on Government, Operation, Consumer Affairs, Energy, Environment, and Planning invites you to testify on Bill No. 33-0276, an act amending Title III, Virgin Islands Code, Chapter 27, Section 718 and 767, relating to financing of the Government Employees Retirement System, to require the government employee's retirement system to seek approval from the legislature of the Virgin Islands before raising member contribution rates. The committee meeting is scheduled to take place on Monday, March 2nd, 2020 at 9 a.m. at the Virgin Islands Cardiac Center in St. Croix. Upon receipt of this letter, please contact Ms. Michelle Messa, Chief of Staff, at 340-712-2234 to confirm your attendance. I am kindly requesting that you submit the testimony via email to mmeser at legvi.org no later than Thursday, February 27, 2020. Your appreciation in this matter is appreciated. Your cooperation in this matter is appreciated sincerely.

0:45:18 Alicia V. Barnes, Senator. letter dated february 21 2020 austin l nibs administrator vi grs 3005 orange grove lot 5 christianset virgin allen zero zero eight two zero via email nfcpa usvigrs.com there mr nibs on february 20th 2020 during the committee on government operations consumer fair energy Environment and Planning meeting, several of my colleagues and myself had questions regarding the sale of Carambola Beach Reserve, which unfortunately were not answered by the Chairman of the Board of GRS, nor the Board Council, or GRS's General Council. Through this correspondence, I am hereby requesting that you forward to the Committee on Government Operations, Consumer Affairs, Energy, Environment, and Planning the following information. Did the Government Employers Retirement System, GERS, obtain ownership of Carambola Northwest LLC and the process whereby ownership was obtained to include but not limited to the amount of the outstanding debt by the previous owner to the GERS and the name of the said owner?

0:46:38 Did the Government Employers Retirement System listed the Carambola Beach Resort for sale, the name of the listing broker, and the listing price for the property? the criteria used to determine the sale of carambola beach resort and during what board meeting was this decision made the appraised value of carambola beach resort the name of the real estate appraiser that conducted the appraisal along with appraisal date the percentage of damage to carambola beach resort property from hurricanes irma and maria in 2017.

0:47:10 the amount of insurance proceeds received for damages from hurricanes irma and maria and water amount if any was received from any federal agencies for recovery for hotel hurricane damages the status of the property when it was sold for example was it being rented least occupied what was the occupancy level and a rental lease occupied rate that was being charged what was the staffing levels post hurricanes Irma and Maria the purchaser of the Carambola Beach resort and what was the price that a purchase update to the government employees retirement system how much how much cash was received from the purchaser and when the date that a carambola the date that a government employs retirement system we linked with ownership of the carambola beach reserve kindly provide a requested information by february 28 2020 your prompt attention to this request is anticipated and appreciated warm regards alicia v barnes copy all senators letter dated february 25 2020 austin l nibs administrator government employs retirement system three zero zero five orange goat lot five christian stead virgin allen zero zero eight two zero via email a nipcpa usvigrs.com supplemental Dear Mr. Nibbs, on January 20, 2020, during the Committee on Government Operations, Consumer Affairs, Energy, Environment and Planning meetings, several of my colleagues and myself had questions regarding the liquidation of assets owned by the Government Employees Retirement System. To our frustration, those questions have left unanswered, and a cloud of ambiguity exists relative to the liquidation of GRS's assets. Through this correspondence, I am hereby requesting that you forward to the Committee on Government Operations, Consumer Affairs, Energy, Environment, and planning the following information.

- 0:49:18 I admire a list of tangible assets currently owned by the government employees retirement system to include property, building, equipment, art, precious metals, stocks, and bonds. Include the address, location of each tangible asset and it said asset is being rent least rented loaned include the name of the individual entity that the asset is being leased rented loaned to and the value of same itemized list of tangible assets that have been liquidated in from January 2015 to present the appraised value of the asset the appraiser's name and contact information the listing price of the asset, the purchaser's name and contact information, the amount paid to GRS from the purchaser, and how was the proceeds from the liquidation of the asset utilized. I only provided requested information by March 2nd 2020. Your proper attention to this request is anticipated and appreciated. St. Shelley, Alicia V. Barnes, Senator, copies of all Senators.
- 0:50:28 That ends my reading of the correspondence. Are you going to be able to respond by the deadline, Mr. Lynch? began to accumulate all the information. It's very tedious. I have for Carambola a few questions I have for the Corporate Council, and he's going to respond to me today. By and all, I have all the information. I worked on it last night also. So if Corporate Council get back to me today he did text me this morning I should be able to respond to them by tomorrow for both responses shortly our request I should be able to respond by tomorrow close the business there are a few other pieces of There's a letter from Pew Capital, Mr. Chairman, I don't think I need to read this, it's just letting us know that there was an addition to their team, Chief Operating Officer, it's It's very lengthy and I don't think we need to read that into the record.
- 0:52:13 What I'll read into the record, no I think I'll hold this also the other one regards from the Department of Tourism. We need to discuss this probably in an executive session. Okay? All right, anything else? That's it? Yeah. Thank you Mr. Names. Chair Presence. Excuse me, Mr. Nez, what did you say about the letter from Pugh Capital? Pugh Capital, do we have it in front of you? Yeah. Pugh Capital, Pugh Capital is one of our fixed income managers.
- 0:52:51 And they are introducing the chief. They have a telling us that a person by the name of Scott, G-R-E-I-W-E, will officially retire from Pew Capital. This is someone that was on the team and our chief officer, Gene David Larson, has worked alongside Scott and she's going to be able to take up his responsibilities. This will introduce then the new staff, Marissa Grant, who's going to be the senior investment strategist. Okay, I saw that, but I didn't hear what you said about it.
- 0:53:53 What I said I asked the board not to read it into the record. We can keep it just for the files. This is something that happens all the time. Is this, and maybe this is something for a discussion in executive session, but is this an opportunity to review their performance? Glenville Henderson, investment analyst. Pew has been one of our best performance managers.
- 0:54:24 We've known for some time that Scott was planning to retire, and this was just the transition, basically, of him retiring and being replaced. So we don't have any concerns. Our consultant doesn't have any concerns on it either. I'm not sure I just want to bring you up to date the board used to have a meeting with all of our cons all our managers every year once a year all managers would come down and about two or three days and we would have meetings with them they would get their overviews and would ask them questions. We discontinued that two years ago because at that time we had 17 managers. Then it was reduced to 11. Presently we only have three managers left. Pew is one of them who performs very good. So investment analysts and consultants are constantly reviewing their reports and in contact with them so um i don't see any due diligence needed i we did do a due diligence one time out in seattle yes they are located in seattle and now we have met with them many times when we're on the west coast they have come to con uh conventions and we have met with them you know individually and spoke with fix and you know we spoke with them about the uh their performance and so we don't have any problem with them at this time as a matter of fact very soon depending if there's not a large infusion of cash we would have to liquidate them Thank you Mr. Names. Chairperson's report, I have a equivalent of a book to read.
- 0:56:33 So, on February 8, 2020, I had a meeting with representatives of the Mutual of Omaha Insurance company I was accompanied by board council attorney Pedro Williams the meeting was held in an attempt to seek ways to fund the system information will be given to the administrator for him to follow up with the representative of the insurance company on February 20th 2020 I testified before the legislature's committee and government operations consumer first energy environmental planning attorneys page of Williams and can you submit council to the system accompanied me purpose was to testify in the particular bill dealing with the qualifications of board members the legislators took the opportunity to dwell mostly in the sale of carambola and investment issues that were not issues about which we were prepared to testify we did not do well it was an ambush I want to apologize to the other trustees and to the staff who works diligently to keep the system afloat it is an election year every senatorial candidate during the last election cycle campaign on the promise of fixing gis nothing excuse me nothing significant has been done since they're swearing in the display was a real ruse to deflect from the inaction by portraying gis as a culprit i have no intentions of being made a

scapegoat for their failure

- 0:58:34 let me address some of the issues discussed at the meeting then the sorrow asked me if i had read the fidelity report my response was no So that everyone understands, I went and I did research to find out about the Fidelity Report. There were two reports I found. One, Fidelity Financial Company had a report where they were inviting owners to establish retirement systems with that company, and it would have been defined contribution systems.
- 0:59:26 And the other report had to do with an annual report that is done by all financial companies for their shareholders. This report had absolutely nothing to do with GERS. It was not a treatise on investments, on financial management, or the equivalent of Investments 101.
- 0:59:55 So the impression there was that I didn't even know the basics of investment. Had nothing to do with that. I am certain that few of any of the senators had read any fidelity report. The only reason for reading that report would be if one had investments in Fidelity Financial Group. I also asked three consultants if they had read the Fidelity report. They had no idea what I was talking about. I was also asked if I knew how many points the stock market had gone up since the start of the Trump administration. knew that the market had increased but the exact figure shorter did not think that I needed to know that so I subsequently posed the same question to three financial consultants they all told me they would have to research the question did for sure they knew that the that it was not the inflated number stated by the senator the answer depends on the variety of factors and the answer would not have been germane to our system that is only 27% funded one consultant finally gave me a figure of 55.54% so the numbers quoted by the senator which was an excess of a hundred percent was an outright fabrication the The senator was not being honest when she said that the board did not have any discussions with the sole appropriating body of the government.
- 1:01:44 On November 25, 2019, the GEI's held a meeting at the St. Thomas headquarters where the governor members of the legislature were in attendance. In addition, the legislature has been receiving annual reports regarding the status of the system. GEIS does not receive an annual appropriation from the legislature, and we have, in fact, on numerous occasions, asked the plan sponsor to adequately fund the system. I wonder how many senators have read the Mercer Report, a report commissioned by the government of the Virgin Islands, and one that is relevant to the GEIS.
- 1:02:25 Senator Saro read a pension reform task force report of 2013. For many years, Carambola's income statement showed that the hotel had negative cash income, had negative net income. Each year GS would have to provide additional cash during the off season in order for the hotel to operate. The hotel was severely damaged by the hurricanes in 2017. was officially closed because it did not meet the Marriott standard. Monies were spent to make it habitable for the federal employees who did not require the usual amenities. The staff was decreased and the government rate received allowed the hotel to make a profit. That entire situation was an anomaly and it was not expected to continue once the contract with the feds had been terminated. In addition, for the resort to continue flying the Marriott Fly, Carambola Nortres would have had to invest a minimum of 12 million dollars in a mandated phase one of a property improvement plan. Additional monies would have been required in phase two. It made absolutely no financial sense to invest addition of funds in this hotel. As stated by the Daily News, the Carambola sale was a failed sale, and I have no idea what that meant. To us, it was an appropriate sale of a poorly performing asset. In addition, Carambola was miniscule in the GIS's overall investment scheme. Board members are not employees of the system.
- 1:04:17 They meet monthly and on occasions for committee meetings. They should not be expected to remember details of a transaction that had occurred within seven months. Senator Bailey asked what the \$50 million lost in the Atalanta's investment that occurred in 2006. What you were today. The answer is a large amount. The legislature passed nine unfunded mandates from 1983 through 2001.
- 1:04:56 The U.S. Inspector General estimated that the GIS had lost \$121 million in contributions because of one mandate that occurred in 1994. GES did receive \$31 million through legislative appropriations, resulting in a net loss of \$90 million in contribution to the system related to that one mandate. What does Senator Bailey believe that that \$90 million loss in contributions from 1994 plus the last contribution from the other aid mandates would be worth today, considering the successes that the system has had with its investment portfolio.
- 1:05:51 20006 in September 2019, the system had investment gains of \$670 million. It's of all return since the inception of the portfolio's 8.7 percent. Not bad for a group that has no knowledge about investments and continues to give away of people's money. The performance of the stock market on the last three days, 224 and 225, supports the system's action not to replace all of our liquid assets and high-risk investments in the hopes of making a killing. The system cannot invest its way out of this crisis. assets. We have to manage the risk to have limited assets. Maybe the legislature should hire a financial consultant to advise them instead of criticizing what is being done while taking the action regarding solving the system's financial problems.

- 1:07:04 Trustees have the responsibility to take action necessary to protect the plan and ensure continued payment of benefits to current and future retirees and beneficiaries the idea of placing individuals with greater expertise on the board without providing additional funding is ludicrous and suggests that these legislators who are pretending to be experts in investments and other financial matters are demonstrably nice placing the top seven investment gurus in the nation of the board and not providing additional funding will result in what is presently anticipated insolvency let me end with a summary from GIS investment consultant Makeda Makeda Financial Group who we are paying a poultry sum of \$125,000 annually between the fiscal years 2017 and 2019 system had gains of 132.9 million dollars but show the net cash flow negative 240 point six million dollars. Makita also stated or the actuary stated that in the absence of any contribution and no changes alone in the system, the system would have to have a return of 22% per year for 20 consecutive years and that of course you know it's unattainable looking at the decades from the 20s to the 90s to the truth presently no decade has reached has had an annual return of 20% 20% highest
- 1:09:13 been eighteen point seven percent so again our issue with the system has to do with lack of funding end of my report any questions trustees and then this any Mekito's analysis. I have a comment, Mr. Chairman. Yes, sir. As you know, in my life, I've spent a lot of time before the legislation. One of the things I've learned over time is when to recognize when they're talking to you, when they're talking to the camera and the audience. So that, I think, determines how we respond. As you said, it's an election year, and somebody will have to face the question, having promised the last time to do something about the GRS problem, somebody will be faced with having to explain what have you done. And of course, the escape route is going to be you. So I think you gave your presentation and my reaction as I sat and listened is that you're preaching the choir and we don't have to figure out how we preach to the same audience that they're preaching and in that respect we might it's a couple of things came to mind one is that that we could use GoF to help us fight the political party, but they have shown an interest in trying to help with the fight to get additional money. we could use them to put the pressure on the centers to do something other than the problems. I also think that I would recommend that we, as a board, prepare a papal paper on the justification for the sale of papal.
- 1:12:12 The same arguments you're making to us here, we could make them to the other audience. Whether we have to pay to print it or publicize it, that's fine. As you said, you were ambushed, and I listened to most of that hearing, and the fact of the matter is that what the folks outside are going to remember is that hearing.
- 1:12:49 So I think we need to, I would recommend that we put together a solid, and if we have to as I said, to publicize it, justification for the sale or wrong for the sale or whatever they want to name it. The other thing, I'd also suggest that we also do something similar for investment portfolio for the performance. One of the things that we always hear outside is how poorly we do in investing. Of course, we always point to the one or two investment that don't work.
- 1:13:47 And we don't hear anything about the ones at work. I recall there was a time when GRS could not have invested in some of the things we're investing in now. And GRS were limited to investing only in A-rated bonds and A-rated... There were limitations. Huh? There were limitations. Yeah, there were limitations.
- 1:14:18 And I recall also that the legislature is the one who relaxed those limitations to allow investments in a more risky portfolio. The rationale, of course, was that if you invest in more risky portfolio, you increase your return, and therefore absolve them of the responsibility for increasing the contribution. So the answer for fixing the shortfall in contribution was to increase the return on investment, as opposed to increasing the government's contribution.
- 1:15:02 And we all know the basic finance and economics that increase return, common increase risk. And so we need, I think, to clarify, notwithstanding the investments that have worked out, what has been the overall performance of the investment, and that's the only way you can judge investment.
- 1:15:40 You can't judge investments in the individual approach. You have to judge the overall performance of the overall portfolio, so I suggest that But we also have prepared an analysis and a report on the performance of our investments. Let's see how that matches up against the measures that people use to judge your performance.
- 1:16:28 whether it's its performance of the stock market, S&P 500, and what else. And I also published it, so that we begin to stop or reverse this assault on the board for what is considered of all the failures and shortcomings. That's my recommendation. All right, go ahead. Carol Callwood. Trustee Bari, you were correcting some of the things, but we basically have done a lot of those. When I first came on this board, there was an assault all the time on what the board has done and even Ms. Moorhead, she remembers that there was always some argument about what the board was doing and one of my favorite people over there would always talk about the traveling bandits of the GRS board and when during the meetings, when the treasurer's reporters presented, not the treasurer, but the financial officer's reporters But since I have come on the board, the annuities paid out were almost, at the beginning, almost 50% more than we were collecting from the employer and employee and have always maintained, and I've said it, you talk about the bad investments of the

traveling bandits and the

- 1:18:21 GRS board, but the shortfall in annuity payments compared to the income generated by the employee and the employer contribution comes from those same bad investments. I attended to support Dr. calendar i attended the hearing and not surprised in the manner in which it was done because that's the norm and but the focus on the questioning and other things and then one of the senators recommended that maybe we should start looking at those higher risk investments because they have a potential for higher return within a few moments of the same of that body complaining about the one risk investment that the grs made many years ago that is still being brought up because it was a risky investment and it didn't pay out like most of our investments did and they use it our community still uses it our senators use it every time they want to complain about the grs board an investment they mentioned the same investment but now our senators are saying our choices are maybe a little too cautious and we may need to take a riskier investment for a higher return the same body that complains about that one investment because every time you hear them they bring up the same one so we have to make sure and we try to educate them each time all of the everything that is presented here is public knock is public record the senators have access to it each month through the communication miss morton and now whoever's in charge the board um the community receives an update almost all of it goes to the mail and it goes through um email snail mail and email and it always always contains the investment information and
- 1:20:32 november of last year and in 2018 there was one completed that shares the full year and how this board this this system has done financially for the year nothing i mean and we like one thing dr Cohen and we have always talked about and he says it again we have to keep doing it we have to bring it back out there we need to go back out and meet the complaint is we have town hall meetings seven people show up I'm like I don't care but those seven people will go back until 10 somebody's gonna get the information so getting it out there trustee Barry is something we try to do but nothing that they have asked for and most of the things that apart from the background of Carambola these are things that we've already done we continue to do and we hope that it was something that will always continue because it's open for everybody to see so one of things we have to but we do have to fight that negative perception of what is happening and it's just getting it out there because I always maintain when facts are not shared and If information is not given, rumors abound.
- 1:21:49 I'm off my soapbox. Thank you. Any other comment, trustee? All right. We have the administrator's report. Thank you. Be very brief. On February 6, I met with the architect for the roofing project at Havenside Mall. We're moving forward with that project. We are ready to send out the RFP for the application of the contractor. On yesterday, I met with Governor Brian, who requested for me to meet with him.
- 1:22:31 As of February 27th, 28th, payroll, we have 180 applications for retirement that are pending. 17 were received in January 1, 2020. And, excuse me? 17070.
- 1:23:00 180. 17. No, you have 180 applications for retirement that are pending on 7-0 or 1-7. People receive from January 1 to 20 to present. 1-7. 1-7. Thank you. For the 180 that are pending, 84 are missing NOPERS or retirement NOPERS that have not payment to the GRS. And for 2019, we received our 308 application, we completed 178, for a total of 124 that are still pending.
- 1:23:46 of that hundred and twenty-four that are pending for twenty nineteen away was a mission opus so as you can see we're working diligently that the individuals who are being paid this month some of them retired in December that means that we are down to like 60 days now hopefully to get it down to five days, however, the retirees need to make sure that the information is received by us prior to considering retiring.
- 1:24:29 Our refunds from October 1, 2019 to January 31, 2020, we paid out \$2.6 million. dollars and of that 2.6 million dollars we call regular or non vested those are individuals are not that vested and we and requested a refund we had 170 cases he paid out 2.6 million dollars as you can see members active members who are not vested or leave in the system paid up one million over one million dollars in retirement benefits I may not be time and debt benefits I'm sorry from October 1 2019 to October 31st 2020 we have January 30 folks January 30 October 1 2019 to January 31 2020 life certificates as of January 31 2020 we have just sent out 96 letters to retirees who are residing off-island is the puerto rico caribbean international on the mainland to determine if uh where that is this is something that we do every year i mean it's a hard thing to say but this is what we do because many times we have been burned that retirees pass away they have stayed so they're down in eastern caribbean and we don't know so what we have done is life certificates which is which are done every every six months we also
- 1:26:26 have a relationship with social security administration determine members have passed away we also have a relationship with health insurance life insurance group health as you know as the first place usually individuals will go so we have a relationship with them so we want capture because many times we have been burned many times so uh some of the beneficiaries would say well i didn't know that we have to return the checks you know they they thought it would keep

coming until they die so we got to be very very careful so we have a lot of things in place checks and balances to make sure that doesn't happen we're going to be sending out uh the disability retirees also 242 letters to them because you know we have these retirees that go out on disability and over the years we have found that some of them are still working and they shouldn't work so we are doing some checks on that also some of them in the mainland you know some of them are here but and they according to the code is supposed to show us if they're making any income maybe produce the tax we try to make sure that we cover our bases and stay within the virgin islands code we keep payments as of february 28th payroll there are 8712 retirees 8712 from october 1 2019 to february 28 2019 because the payroll has already 2020 we have already made they make the payroll uh we have paid out 106 million 371 thousand 358 with pensioners we have at least three of three pensioners or two pensioners left uh from october to february 28 2020 we have added to the payroll 142 retirees were added from october to present and we delete it meaning that 115 retirees passed on

1:28:38 so 142 are added in the same period 115 passed down and we are paying out 10.7 million dollars every pay period so it's over uh close to 2021 22 million dollars coming up to 22 million dollars a month our loan portfolio is reduced because as you know we discontinued and suspending the loan portfolio as of January 31 we have 3837 units in personal loans retirees and active and mortgages we have 93 mortgages still in the portfolio as you know by 2025 all our personal loans would be would have expired the terms would have expired and according to preliminary information in total right now we have about 45 point 45.4 million dollars left in the loan portfolio of that 44 45.4 approximately 40 million dollars left is active and retiree personal loans and those should be like I said it would expire by 2024 2025 unless we receive an infusion of cash the board may consider reinstituting the loan problem. Okay? At the White House, we're doing some work at the White House and we have to get that work done. I'm going to say that we're also doing some work at the New Haven site office that we're establishing for the management office. If that is not coming unscheduled by the end of March, we will be using the White House temporarily until

1:30:44 that is the contingency plan. St. Croix office, it's basically okay. They do have some minor leaks in the St. Croix office. Those are being repaired. There's a roof. The original roof in St. Croix still has warranty, so we don't have an issue of having to take any monies out of pocket for that. Generators is being serviced up-to-date on the sort of requirements. The projects as the gate operators we do have an issue with the gates over in St. Croix. We need to get that done as soon as possible. We also plan to build our storage container. We plan to build an infrastructure around the wall around the storage container it looks very bad with the overflow of garbage St. Croix complex as you know a lot of work is being done on the St. Croix complex we have an exterior work work going on and this is something that the drawing board for a few years and now we're getting it done we do have some leaks in the flat roof area the plan is to remove that roof that's the original roof on this building and the plan is to remove it and probably also get into some solar solar on the roof or around the property at the later date our lease agreements all leases are current except for or have executed leases except division of personnel that thing that is spending with property procurement the department of justice it's a waiting meeting dates they're supposed to meet again casino commission the commissioners are reviewing the lease with their legal counsel and should get a feedback february 14th today miss clendon did we get a feedback from them as yet

1:32:55 no i left a message for commissioner excuse me sorry miss gums clendon and gums i'm sorry thank you um i left a message for uh commissioner richards yesterday and after this meeting i'm going to walk down there and see if they've concluded uh their review okay thank you very much you're welcome that's a sister of uh sclendon uh dop do you want to say anything i know that you have a lease with us we do we're right now in with um property of procurement i believe my staff met as recent as yesterday we don't have feedback at the moment but once i do so we are um working diligently with uh property of procurement to get a new lease yeah for the um the retirees here this is dana clinton she's the director of personnel i was on the phone she's also a a member of the board non-voted member of the board, by statute, by the V.I. group, okay?

1:34:12 So the rental of electricity and the rental, we have, in January, we received \$98,440.39. Rental, we received \$63,719.72. Electrical, \$34,720.67. Fiscal year to date, we have received for both rental and electric \$489,842.08. We have a rare ages as of January 31, 2020 of \$132,200.11. Now, some of this have been paid in February.

1:34:48 So in the report that I think Ms. Moorhead had asked the question about it, there are arrearages, have some arrearages with justice and personnel does have some electrical arrearages. I see that they paid about \$13,812 in February. So the arrearages in January, most of them have been reduced in February. um so uh okay this is my head thank you you're welcome uh lastly conclusion i want to give an update on kazi food of the virginals you know kazi is one of our alternative investment program investments and i just asked for an update because someone called me i think but it was you uh mr hennessman said he had seen something where they were building a new kfc on the waterfront well i i got a report from them so i gave an update on the entire um investment that we have in st thomas you know the kfc in fort milner is back up 100 the kfc in surveys is back up the pizza hut in fort milner has been built you know the move from

weekly plaza The KFC, the new KFC will be at Captain Corner.

- 1:36:12 It's under construction near Banco Papua on the waterfront. Also, as you know, they had a PS Pizza Hut on the waterfront. That is being renovated. The landlord is in the process of doing the construction and renovations. And KFC, I mean KAZI, which is KFC, will renegotiate the lease after completion. So there'll be two. There'll be a KFC on the waterfront by Captain Corner, by Bank of Popular, and the Pizza Hut is going to come back when it's completed. In St. Croix, KFC in Sonny Isle is up. KFC in Orange Grove is up. KFC in Frederickstead is up.
- 1:36:53 The Pizza Hut, La Rain location will move to Sonny Isle. so i i i i haven't been in that area but i'll go there when i'm when i'm back in singapore just to look and see what is going on but the pizza hut has been moved the brown rain has been moved to some yard that ends my um my report sir thank you Mr. Mayor, can you give me a brief update on what's the nature of our investment in Kaiser Foods?
- 1:37:31 Yeah, I think I have something. Initially, on September 30, 2013, that's when we made an investment in After all due diligence was done, it was a project that was going on for like six months, probably more. We invested \$6 million, an interest rate of 6.25% for a full term of 10 years, and they are up to date. They're one of the best performing alternative programs that we've had. The only time they had an issue was after the storm. They had heavy damages and they had asked for moratorium and we did grant it to them and they paid up in full everything that was behind. So as of today they are up to date on all the payments.
- 1:38:33 So is it a loan? Yes, it's a loan. We consider loans or investments. Okay. Thanks. Okay. That ends my report. Please, any questions from your administrator? I have one or two questions. Yes, sir. Go ahead. Is this a place, Mr. Nizu, you could tell us about the meeting you had with the governor? What was it about? And is it not formal session?
- 1:39:10 and i was gonna do that in executive session because uh yeah yeah the only thing i said the only thing like i said trustee barry is that we did meet and and he did i i let the retirees know that he did bring up the gasoline excise tax the gasoline tax and um he also said he he pitched for grs about a loan now he didn't say a loan a loan for the plan sponsor that's what I understand it to be. It's not going to be GRS going to be the one paying back the loan. The plan sponsor will be the one paying back the loan. So, but I have other things to discuss in executive session. I think it should.
- 1:39:52 I have a, I have another question. Well, the reason I said that exactly because there's something he called me about this morning. it has to be an executive session and some other things he discussed with me i think you know it needs to be an executive session could be legal stuff so like that you're quiet over there today any questions no no question okay um because he and the picture heard in sunday isles went pretty well oh okay Okay, that's good, good goodness, so.
- 1:40:42 All right. Thank you, Ms. Senator. Committee reports. Policy committee trying to finalize the board manual. We sent it to attorney Smith for her review and final recommendations. Mr. Bowery, you received an email from Ms. Coley. By default, you have now been voluntold to join me. So when you can- Say that again?
- 1:41:18 I said by default, you've been voluntold to join me. You got an email from Ms. Coley yesterday? Not that I'm aware of. So please, please, about the policy committee. oh yes I just it's on the phone right here okay so you are what we are good I'm going to call a meeting for policy committee next week I'm going to check with you guys on your date dr. calendar yourself me and just policy committee you're now in a policy committee so you're going to receive We've, part of the, Ms. Coley will be sending you all policies for the board, but the policy committee works on revisions and creating, and we've done a few in the past five years. So we have one pending, which is a board manual, and it's been sent to you for review, recommendations attorney Smith has it for final review and attorney Williams as our counsel so you have been voluntold to be part of that committee yes ma'am thank you sir trustee Bobby did you get didn't you get an assignment assignment he wasn't did you get your committee assignments yes I did you did? Yes. Okay. My recollection, I'm on two. That's the budget committee and the investment committee. Of some strange reason, it seems as though Trustee Coward just put me in the policy committee. You're an anti-facto member. You've always been. I can't. I can't. I can't.
- 1:43:16 But no, but this colleague sent you an email explaining what happened, so that's why you're now on the third. Because I lost two. So you guys taking advantage of the new guys? They did it to me, Trustee Barrow. They did it to me. We're just sharing the wealth. It was done to me. I think Dr. Cohen has had his share too. I know what happened when you're a freshman, like, brother.
- 1:43:47 You haven't seen the end of it yet. I have some news for you, and I'm going to tell you privately. You've got lots of homework, sir. Sorry. You're going to be a, very soon, you're going to be chair of a committee that you're already assigned to. And I figure you can suspect which one it's going to be, right? You have a process of elimination? Yes.
- 1:44:14 Good. So you want to make it effective right now? Okay, so... Next week, you will be the chair of the budget committee, sir. Ah, okay. Okay? Thank you very much. Move it up quick. And with my pending departure, he's going to have more

work to do. So the budget committee did meet, the committee that I am presently chair of, the budget committee, met on the 18th of February. We did some preliminary work and we did not complete it in order to, our plans were to approve the budget and have it sent to the board for approval today. So again, Mr. Barbee, since you're going to be the chair, you now need to call a meeting so we can get it finalized.

1:45:09 for sure and have it approved right next month right yes oh yes I'll do that but I'm gonna be I'm gonna need to have at that meeting I'm need to have mr. Nibs and the CFO okay not a problem that's that's meeting we had there's a lot of questions that I had and just just just to put everybody on notice that that my preference would be to have this the senior management is then present the budget to the committee something you know I have no idea when it was change it wasn't changed it happens that's all i know from finance okay so then we'll just go back to where it should be okay okay so bob you can set up the meeting whenever you are ready okay any other any other committee reports a treasurer's report so chairman uh the cfo is out again i have the honors of um giving the treasurer's report the schedule of receipts and disbursements for the month ending january 31 2020 Loan repayments, \$2,018,859 for the month of January. Fiscal year to date, \$7,013,63.

1:47:07 Rent from tenants, utilities, \$32,617. Year to date, fiscal year 2020, \$434,294. Rent from Havensides tenant, \$644,419. Year-to-date, \$2,153,153. Employer retirement contribution, \$11,099,327. Fiscal year-to-date, \$29,073,146. Employee retirement contributions, \$5,823,596. Year-to-date, \$16,338,734. Parking facility, \$1,045. Fiscal year-to-date, \$4,660.

1:48:03 Miscellaneous, \$1,334,289. Fiscal year-to-date, \$2,131,273. Total collections, January 2020, \$50,954,151. Fiscal year to date, \$57,136,622. Disbursements, annuity payments for the month of January, \$22,207,392.

1:48:39 fiscal year to date eighty eight million two hundred eleven dollars and four hundred forty dollars administrative expenses one million one hundred and sixty one thousand six hundred eighty seven dollars this career to date four million eight hundred fifty six thousand or seventeen dollars personal loans forty six thousand nine hundred eighty four eighty two dollars this Fiscal year-to-date, \$135,000. Mortgage loans, \$7,381. Fiscal year-to-date, \$91,597. Retiree loans, \$4,509. Fiscal year-to-date, \$14,240.

1:49:22 Auto loans, \$3. Fiscal year-to-date, \$12. No land loans. Refund of contributions, \$485,155. Fiscal year to date, \$3,647,072. Allotments to WICU management fees, \$75,151. Fiscal year to date, \$145,319. Total disbursement in January 2020, \$23,988,259. Fiscal year to date, \$97,100,697. for a net cash deficit in January 2020 of \$3,034,108. Fiscally year-to-date, net cash deficit of \$39,964,074. Ends the report. Thank you, sir.

1:50:20 Trustee, does it? Sir. I have a question, Mr. President. I notice a big difference in the rent from tenants between January of 20 and January of 19. January of last year. Could be a rare it is. Oh, okay. And then the same thing for the miscellaneous.

1:50:54 Well, yeah, well the miscellaneous includes If you look at page 4, I think, of that report, it tells you what the miscellaneous is. Okay. Okay, I'll check it out myself. Yeah. Okay. And just for my own education here, the disbursements for personal loans, what was that? it's not really a disbursement uh because you know we don't have any personal loans and this is also on the same page as the miscellaneous the personal loans is credit life and refunds because maybe they're overpaid so we pay them back mortgage loans the same thing credit life and insurance retiree loans is credit life and refund and the auto loans is credit life Okay.

1:51:55 Okay. Yeah. Can I ask a question? Yes. Okay. Below here it says allotments to WICO management fees. What's that? Well, it's not small because what we do, WICO submits a budget every year and the boards approve the budget. would allow them quarterly give them quality advance to to fund the operation of Haven site mall and also they they get a fee of six percent on the rentals and any rent that comes in this year since we have not signed a management agreement with them we're not doing that anymore we told them we can fund them on monthly basis however they didn't opt for that so every quarter they would send us a report and then we would reimburse them and we will do that until the end of march okay let me understand this so waiko is a management company for haven site mall yes why are we paying their management fees well there has to be a management fee now our contention is and has always been that we we have solved that problem some of the expenses that we were giving them outside of the management fee should have been in the management fees but i thought when you manage okay you have you do i have five condos i'm managing yes right the agreement between those condo owners and myself is that of the 100% you earn you keep 40% and you give me 60% right that's what I understand my management is if I am manager out of that 40% I'm allowing you to keep less than a monthly basis that's where you do your advertisement you pay your employees blah blah blah blah why are we

1:54:02 paying a management company fees that's well that's that's the way it is in the industry as far as malls i know that but i understand what you're saying what we would have done you have given them enough we have come to an agreement this is what i'm going to give you to run them all you that's your expenses and everything you run them all i understand

the rest give me correct me that's the kind of agreement we should have that's just my opinion without taking more than a basic economics class we need we don't need to begin giving a management company money but we're not doing that anymore you keep your percentage and give me my we're not doing that anymore come april one prs will be running them all so we're going to have a significant profit okay that's for some profit because you know we'll be managing in-house to hire somebody to to be the manager so management fee will be out okay i understand okay okay do you hear what dr khaner said no um mr smith mr nancy or his classmate that must have been some class Mr. Neff, the employer contribution is almost doubled.

- 1:55:31 Is that? Well, that came up with a lot of . But I asked that question. I have some responses here. He was the opinion that he don't think they'd start paying it yet. I thought they were. however I asked for the reasons why it was that was such a significant increase and there was a reason why somebody like Wang Louie and WAPO were behind and they made some payments so that was leading to my question is this a one time I'm going to be continuous because we you know I've always maintained that we pay out twice as much as we collect with this now we're not but is this going to be that increase going to be a consistency well we have to go back and determine how much we're getting from the three percent increase but a lot of that stuff is some one time that you yes okay because i was getting a little excited there i was like wait so we're not as far we're not going to be as far back but then i said okay that three because you know the linguist said we're a mathematician limitation three percent can yield five million dollars right correct okay so that's in a one-time shot okay dr kellen yes i have a question on the miscellaneous yeah it says the cost of living bonuses who gets that those are the disability disability retirees by law they must get we couldn't touch that by law according i think it's 1.5 percent or something like that right yes even though the regular retirees don't get it they must get it but i mean i thought the lottery
- 1:57:19 bonus kind of helped out but you know the board did it indefinitely so if we get some large infusion Maybe it'll start up again. I dropped it. Why not? Impress your luck now. If you can't get it, you don't ask for it. You could never get nothing you don't ask for. Any other questions? Okay.
- 1:57:54 We need the approval of the treasurer's report. Mr. Chair, I move that we approve the Treasurer's report. Give him a second. Amad? And Troy. Okay. Trustee Caldwell? Yes. Trustee Bari? Yes. Trustee Cohen?
- 1:58:20 Yes. Trustee Liger? Yeah. Trustee McDonnell? I accept. Trustee Smith? absent chairman calendar yes chair five yes two absent okay the treasurer's report has been approved in the best yes mr chairman um immediately a set of minutes i noticed that um in the recording of the votes you record the names of those who voted against or abstained with not the names of the ones who voted yes. I understand that the explanation is that the others voted yes.
- 1:59:13 Correct. But I believe it is more important to list, for the minutes to list those who voted yes than those who voted yes. Okay, that is something I don't we don't have any problem with that. Typically when you have any kind of court case I think I'm looking to see the vote you want the minister reflect those who voted yes. But you must remember Trustee Bari we have a transcript and usually we go to the transcript of every meeting. Okay, I don't mind doing it, but we rely on the transcript when we have to do court cases.
- 1:59:59 Okay, that's a good point. Okay, go ahead. Okay. Good morning, Mr. Chairman and other trustees. This is an update of the investment portfolio performance as of the end of as of January 31st 2020. So the total plan returned 1.2 percent for the month of January. Our total equity returned 0.2 percent for the month and our performance benchmark by 30 basis points. Total fixed income returned 1.5 percent for the month in absolute terms, but in relation to its benchmark there, Barclays Ag underperformed its benchmark by 40 basis points, and total alternative 0.7% return outperformed its benchmark by 50 basis points. Sources of outperformance for the month was our Russell 1000 Growth Fund. it performed 2.2% for the month. As it relates to the monthly cash flow updates of the investment portfolio, we ended the month at approximately \$582 million. We raised no funds in the month of January. Since we've given this update on February 27th, we haven't raised any funds in the month of February as well. But I do anticipate, Mr. Chairman, that we probably would have to raise some funds in the month of March to bring us back to the dynamic asset allocation targets as it relates to well so if you look at the total plan activity for the month we began with a market value of approximately 590 million we had a net cash flow of approximately 15 million which we drew down cash for benefits and expenses we had income of about 777 thousand we had a gain in the portfolio of roughly 6.5 million that brought us to that ending market value of approximately 582 million and i please note i forgot to mention please note that that market value excludes the member loans program and also our saint thomas and saint croix complex uh valuations uh for the month as it pertains to investment management fees
- 2:02:43 custodial custodian and consulting fees we've paid 51 000 for the month month to date 31 000 in investment consultant fees and 20 000 in for the custodian bank uh fiscal year to date we've paid 183 000 dollars investment management fees made up 80 000 of that investment consultant was 62 000 and 41 000 we paid to the custodian bank for their services as it relates to securities lending uh with physical year to date we've earned 470 dollars so as you can see mr chairman and

other trustees our assets continue to decline as we continue to have to draw funds out to meet our benefit expenses. That concludes my report for this month. Any questions I could happily answer?

2:03:42 Yes, please. there's one there's one portfolio that just said had a 0.7 percent return which one was that 0.7 was the total alternative so that would include our local assets and also our private equity fund and they just said that that outperformed your benchmark yes currently the benchmark on the alternative would be the s&p 500 plus three percent so we've outperformed the s&p 500 plus 3% for the month ending by approximately 50 basis. What is the S&P plus 3%?

2:04:42 The S&P 500, as you know, is the overall broad equity market. So for the alternatives, we've attained a benchmark of whatever the S&P made for that particular month, we would add 3% along to it. And that would be the benchmark that we would peg the alternatives to. So as you know, the S&P was down last month, I think it was 0.1%, I believe.

2:05:23 The 0.1 plus the 3 would still put you above the 0.7? If you start at negative 0.1 and you add a 3%, you get a positive number, which is higher than the 7%, 0.7% you have. No? That is . I would be wrong on the SMP performance last month. I'll have to resourge and get back to your trusty board.

2:05:57 Okay. Mr. Henderson, in the last time the Makeda consultants were here, they talked about the dynamic asset allocation. At that time, they said we had \$539 million in our investment portfolio. Right. That would be at the history level. I think that was minus our local asset. You're right. I'm just trying to find out if you remembered how the investments were allocated. At that point?

2:06:42 Yes, I remember. Maybe you could understand where we have the money. You're talking percentage-wise? Yes. Okay, so I can't remember the exact percentage-wise based on the last report. okay we have 70 percent in equities okay 61 percent in in fixed income and fixed income right another included cash no okay no 19 in cash okay and we have three percent in alternative investment okay so as you know with the dynamic asset allocation in the risk in the portfolio we are moving assets from the more riskier spectrum of the market to the less riskier because we come closer and closer to insolvency the more the most important thing now is to be able to pay benefits and expenses benefits to our to the members and as you mentioned earlier even at a 22 percent return over the next 10 years we just can't invest away out of out of the situation we need an infusion of cash so we've been reducing our riskier exposure which would equity first active equity active fixed income because we've been moving everything more into a passive into passive strategies and at some point in time if we don't get that infusion of cash we will also deplete that those passive passive allocations as well okay i understood that i just wanted to make sure that it's said so that our guests can understand our members can understand why it's being done and that they've been not being foolhardy by um is you know the consultant told me what the scientists want us to do we might as well just go

2:08:33 to the casino and put everything on red or black and hope that we that we hate given the given the short horizon of um expected informacy is pretty much i think we calculated that based on our current allocation we're going to be expect about a four percent four point seven percent return going up until unless we get a cash infusion based on our current allocation which is below our target but like we mentioned at this point insolvency is driving our allocation not our need to outperform 2023 is not a long-term target it's pretty sharp and if you see the fluctuations or the impact of the market for the past couple of days i mean it could be it could be sooner than 2023 i'm not trying to scare anyone but it could be sooner than 2023 so that is why the board you know the board's decision to establish the dynamic asset allocation and de-risk the portfolio is pretty much you know was a great decision and it was recommended by our consultant but i think was a good good move on this part but i have a question yes i'd like to know mr nips i know you said there are things you are going into executive session to discuss you had meetings with the governor the senators tortured you all last week whenever

2:10:23 thank you for this is there a glimmer even of hope for anything is there anything perk is you know where do you go you know when you have these meetings is there a glimmer of hope oh we just cruise into it's 2023 well i was glad to hear the governor said that he had met with treasury and grs was discussed and also he discussed the gasoline as part of getting what what they were trying to do show that look we want the loan we don't want to hand out however we're doing certain things also to try to get revenues in okay that probably could be people saying we don't want a loan no no no we want a loan the governor wants a loan it's not a handle because you're not going to congress to get a handout you're asking them for loan just like grs uh position was this was not a handout we're going for loan okay so what he's saying is that he's putting all the eggs in one basket holistically he's looking at everything grs you're looking at the gasoline because he's talking to them about the gasoline excites the gasoline tax and using that to say well okay if we get that we may not need to come for a loan correct so he's putting everything on the table when we did a white paper i don't know if we shared it with um with gruff but we did a white paper the governor very lengthy white paper i don't know if you shared it with treasury but he just wants to do everything in one basket and show them look these are the problems we're having if we don't get some type of funding this is what's going to happen to GRS so okay if you give us this gasoline excise tax back

and then he's looking at maybe some you know Diageo is underutilized you know pipe proof

2:12:21 gallons they're not produced they have capacity to produce more maybe bring in some more distilled to get more rum cover over okay so he's looking at that that's where you also talked about putting a group together okay because you had spoken to us about this loan idea yeah well that was GRS but you see we started a long time I know we have looked at more than one put together loan because based on our statute we can do financing so we we started it up we met three years ago with a delegate in DC and we started the pitch for it and the loan would have been grs loan we would have to invest it into wise investments and then we would have to pay the proceed we'd have to pay the loan down we were asking for a 10-year exemption from waiver of interest and penalty and a low interest rate of two percent so now the governor the governor is taking the charge which takes the pressure off of us but we will be behind him you know he's taking charge now because there's no way you're going to get any action in Washington except unless the governor is involved. Our national groups, we spoke to our national group, we wanted them to be on board with us and they said the same thing.

2:13:35 Yes. You need the governor involved with this. So I think that's a start. I was impressed that he did it. Mr. Names, may I? Yes ma'am. Okay, so you didn't go ahead, you completed the white papers to get the you know did you apply for it or you hold it no we haven't applied for anything we can't apply we we can't apply for it the governor was would have to be the one to go to treasury gr is then the white paper it must go to the governor and the governor already went to the delegate everybody has it the legislature has it also okay that's why we need to have this this group so they have to be the ones to submit it yes the governor will okay you sent it do you get a feeling that there's this urgency with him yes in your discussion yeah because so the meeting will come like next month keeps him up at night keep saying this is what keeps him up at night okay okay maybe if he has a few more sleepless nights we can have these meetings by next month okay what what the other thing i wanted to ask and i saw you when you won um um a red field program what maybe a month ago six weeks ago and one of the things that came up there was the government applying for a loan using government land for a loan to help grs that's also okay but you know one of the things i think this is why people understand our motive to us things are moving slow So, to me, 2023 closed. To me, this is 2020. And so, Gruff is saying, if you need help in doing some of the legwork, let us do it for you while we're still capable of doing it. So that's all we're saying. Let us do some of the legwork for you to get this ball moving.

2:15:53 But not the law for me, but the St. Croix Retiree Group too. Absolutely. It has to be territorial. Yeah, it has to be territorial because all of us benefit. It's the same thing trying to tell the senator, we're not asked in isolate and some of the leg work we can because we have the time to do it so let us do something like work for you while we still time well we plan to have a town meeting plan to have a countdown meeting in St. Thomas and St. Croix in the next two weeks I think the 10th is in St. Croix and the 13th or the 12th in St. Thomas at the Auditorium.

2:16:36 I want you to come out. Maybe you can pitch your proposal there. But who will be there to listen? I don't want to. We don't want to pitch to other retirees. We want to pitch to our elective leaders. That's the problem. Well, like I say, either you can do this as a group, maybe schedule a meeting with them you want to hold it here you're welcome would you schedule it for us we have we started we started a working group with them you know we met how many times already twice twice yeah but what about us well yeah well that's what i'm saying maybe then our next we can have every we can have you here we can be able to sit to the table we can invite you to a meeting and you can do your presentation we can do that we have to be able to sit to the table i'll discuss it with senator francis and make the arrangements yeah we have to be able to sit to the table because we do have something to offer i think sometimes people think i don't know what to think about but we feel we have something to offer yeah pulling all of what intellectual abilities what's left of it we have something to offer yes so and they need to understand that put us to the table with you that's all we're asking okay we started this this process back in 2016 the problem is that the governor at that time was not supported so we actually lost we actually lost three four years the what i said his solution was to sell haven side

2:18:19 Okay, can we move on to, y'all satisfied? Okay. New business ratified poll vote to extend Nikita's investment group contract. Mr. Chairman, as you know, Nikita contract had ended, I think, last year. year there were three years it was a three-year contract it ended and as you know at that time we reduced the fee and everything because of the decrease in the investment portfolio so their contract came up for uh in february february 1 2020 so we had a poll vote on february 3rd and And voting in the affirmative was Callender, Cohen, Calwood, and Smith.

2:19:19 I think I heard from anyone else. So we had four yes. So now we're asking for ratification to extend the Makita contract based on the agreement in front of you. And the same terms and conditions as the prior contract. Terms and conditions as the prior contract. Yes. So we're looking at this, doing this on an annual basis instead of three years like before. So I'm asking to extend the term one more year.

- 2:19:54 And they've been working so far with other contracts. Well, it expired February 1st, 2020. All right, so I need to get a motion, please. Mr. Chair, I move that we ratify the poll vote to extend Makeda Investment Group contract. I'm Tim Lang.
- 2:20:27 February 1, 2021. A year. One year. I'll second that motion. I'll give a deed of this if I can. Trustee Conwood? Yes. Trustee Bari? Yes. Trustee Cohen? Yes. Trustee Liger? Yes. Trustee McDonnell absent. Trustee Spade absent. Chairman Callender? Yes. Chair, five yes. Two absent.
- 2:21:02 Thank you. To request for approval of appraisal calls for estate Hoffman-Daldeborg and estate Coakley. Coakley there. Last meeting, Mr. Chairman, I brought before the board, as you know, to amend the, remember we had indicated that if there was no major activity to our properties, we would do the appraisal instead of every two years every five years i came back and i asked for change and that because of the situation out there with that race track uh race track service station a matter of fact in executives i need to discuss that call but uh so i contacted the appraiser and i told him i i thought i would have been able to convince him that he really didn't have to do a full evaluation if you could just look at the property and determine if they think that there was any impact into the value because of that gas station being there as you know we had a problem with the gas station we didn't know that it was going to be built there um and also they built the access to cut some of the brush back and it went further we we had to add DPR not do a cease and desist. We had to do our, we had a surveyor come out and make sure the surveyor, the boundaries are correct because they wanted to, and they asked us to, you know, to sell them some property or something so they can have an ingress and regress. It's a whole lot of mess. But anyway, do we want to make sure that our property has not been devalued in any way
- 2:22:55 one impact so he's going to have to do a full evaluation of the property because it's right at the entrance of our property so he said that we would have to do a full evaluation at the same time i asked him maybe we should do an evaluation of the coakley b because you know things academic activity has increased in st croix uh and things like that so maybe you can look at that and see the value went up um but i have another intent is that maybe you should look at depending on the value to look at because as you know vi housing finance authority has been approaching us to put housing development so i need to get an approval just for the cost to do the two properties these These are vacant properties.
- 2:23:46 Estate, Huffman, Nolliburg in the west, St. Thomas, and in the east in St. Croix, Esty-Cokely Bay. Huffman's in the east. Now, I don't know if S-O-S. Huffman's in the east. West. East. Huffman is in the east. Huffman is in the east, outside. Making you look bad here. I can move it now. We don't need the .
- 2:24:13 Do we have to do any vote to change just for this property because, you know, we did it for the last property, is it? Overall, because we made an amendment for Huffman and Oliver, we have to make an amendment for the state Coakley Bay for the instead of two years. Does this proposal include Coakley Bay? Yes. Yes. Oh. So Housing Finance want to build houses on both set of properties? I mean, put-up units on both set of properties. They've been interesting, especially the one at, because you know they have properties, a button, the properties out there, our properties, GRS properties.
- 2:24:58 Got anyone else? If you approve this, then you could just make mention that you amend the prior resolution, okay? Mr. Chair. Mr. Chair.
- 2:25:38 Mr. Chair, I move to accept the appraisal cost by State Huffman, Lallyburg, and State Coakley Bay with amending the resolution of previous resolution to include Coakley Bay. Okay, I'll second that. Thank you. I was wondering why we didn't just make a new resolution.
- 2:26:17 So just for me to be clear, the resolution on the floor now would be due to basically what's in this letter, Mr. Nib's letter. The effect of voting for this resolution on is to give the approval to do the appraisal and set out in your letter name? Correct. Yes, yes. Yes. Oh, okay, all right. Okay. Trustee Calwood? Yes. Trustee Bowery?
- 2:26:57 Yes. Trustee Cohen? Yes. Trustee Liger? Yes. Trustee McDonnell? Absent. Trustee Smith has joined us. Trustee Smith? Abstain. Abstain. Chairman Callender? Yes. Mr. Chair, five yes, one absent, one abstain. Thank you.
- 2:27:24 Thank you for being a Trustee Smith. Can I ask a question? How much acres of land is Nolliburg and Huffman? 120 acres. And how much acres is Hockenby? 170. 107? 170. Overlooking Buck Island. And those acres out there? Nolliburg and Huffman is what again? 120. 120. 120. 120. 120. None of those acres are in dispute with the New Hornwood Church and what property are there. No, they haven't come back.
- 2:27:57 We haven't been back for the last five years. We have given them 45 days to respond and haven't come back. Say that again. They haven't come back in the last five years. We had a meeting with them. They did a dispute. We had a meeting with them. We gave them 45 days to respond, and it's been four or five years now since they haven't come back. Yes, several years ago, they did assert that there was some dispute, and they were supposed to research and get back to us in 45 days, like Mr. Libs said, and we never heard back. We just didn't know when those 45 days were to begin.

- 2:28:27 That's the day we had the leader. Five years, you say. That was attorney for sale? Yes. And if Housing Finance Authority wants to trade units, are they going to take the 420 acreage of Nollibop and Huffman? We will not sell without the 420. Everything? Right, okay. okay there have been you know requests for less acreage but we don't want to do that okay request for approval of proposed startup call for haven site management office as you know trustees uh the board has uh has approved the management of to manage the Havenside Mall internally and there are some startup costs that we must have approved before we do any major things that we'd have the road in place clean out right now electricity is on and the office is upstairs a building free where the Havenside dental office was. Upstairs of the Chinese restaurant. Upstairs of that, yeah.
- 2:30:01 And it's been vacant for quite a while but it was in bad shape. Terrible shape. Epical problems, plumbing problems, you know. We had a lot, our staff worked on weekends, maintenance staff to clear it out so we have to set up some adequate office so we accent and it's itemized as far as office design drawings office equipment because our it is going to be supporting that office also via installation air conditioning air conditioning was shot so we have to buy a new air conditioner furniture furniture for the offices the contractor there was thought about doing it in-house however I don't think we'll be able to get it done that way so we have to get a contractor we have been in contact with a couple to send us some bits plumbing contractor there were rotten car siren pipes in there leaking friction has to do some work we have to put up new lighting we have to change the ceiling it's all shot we have to put up some blinds also to the front for the heat although we probably would put some what call it the film over the windows but I think we need to do some blinds like these blinds here also in our office and signage the signage was taken down by Waiko it was they wanted to sand the wood but they told us when it went over there some a few weeks ago that they're going to put up a new sign because the wood wasn't the best so we got to get the signage done also some requests and that all came up to about 93 000. i'm requesting about you know uh 10 percent leeway if there's any contingencies i'm requesting
- 2:31:53 approval of a not to exceed at this time 105 000 to set up the uh office at havenside based on the I have a question that may have an impact on this on the budget on the organizational chart you mark down that the at the bottom in the middle the landscaping contractor is going to be outsourced but yet i'm seeing on the far right of this chart in blue which is going to be the haven site mall that there's a landscaping laborer that's two different things the laborers those people that collect the garbage and all of that stuff everything you know make sure they're clean the place is clean they pick up the garbage okay the landscaper someone comes in and cut and and beautify the place okay all right thank you is that question in regards to this hundred and five thousand um can you have it itemized yes what's what's going to cost each item to the best of my ability it's an estimate that's why I say not exceed and you know Okay, I got it. Thanks.
- 2:33:21 We have computers to set up all the work. No, I understand. I understand. There's going to be another course. It's worth \$105,000. Yeah, another course is going to happen, but I'll discuss that in an executive session that we all need to look at because we have not finalized all the and that, all the I's and T's with Haven Sight, so we don't want to put that out publicly until we until we discuss it in-house so I'm just asking for requests requests these items not to exceed five hundred thousand dollars a hundred and five thousand dollars the chair make a motion for the approval of the proposed start-up cost for Haven and Site Management Office, NTE, in a month of \$105,000. Second.
- 2:34:22 Trustee Caldwell? Trustee Bari? I have a question before. I mean, I think I'm gonna vote for this, but I need first to have a bigger conversation about what we're gonna do. I understand that we've made a decision to take the management away from WICO. But I need first to have a conversation about how we plan to manage it.
- 2:34:58 I think we have an item on an executive session for Aiden's site to discuss. yes okay good all right so yeah yes i vote yes to this okay trustee cohen yes trustee liger yeah trustee mcdonald absent trustee smith yes chairman yes yes six years one absent Okay, motion passes.
- 2:36:01 Thank you. You okay? Thank you. Thank you. Trustee Caldwell? Yes. Trustee Bari? Yes. Trustee Cohen? Yes. Trustee Liger? Yes. Trustee McDonnell? Yes. Trustee Smith? Yes. Chairman Calhoun? Yes. Chairman Calhoun? Yes. Chairman Calhoun? Yes. Chairman Calhoun? I just want to indicate that this portion of the meeting will be closed to the public probably for mothers pertaining to financial commercial information. It's hard. Yes, Madam Chair. Yes.
- 2:36:35 Yes. Yes. Okay. You put the hands? You bring my stuff aside. Is she what she does? No. No. No. No. No. No. No. No. No. No. No. No. No. No. Mrs. McBarry, Mrs. McBarry, you and this church sing all the time. If I have to find out, M.S. Church need a roof.
- 2:37:05 M.S. Church need a roof.

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.

- 7x

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

Trustee Vincent Liger
heard in this transcript as: Liger
- 3x

Governor Albert Bryan Jr
heard in this transcript as: Brian, Bryan
- 2x

Senator Janelle K. Saro
heard in this transcript as: Saro

Bills and acts referred to

Matched by number against our own acts corpus. The number is what the recognition heard, so it may be wrong; where it resolved, the title is the one the Legislature gave the act.

Referred to but not found in our acts corpus: Bill 33-0276