GERS BOT's Special Meeting 10/4/22

GERS Retirement System (Board of Trustees)

October 4, 2022 · 0.6 hours · gov

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0:00:00 Thank you. Good evening, everybody.

0:00:38 Good evening. Good evening, sir. Sorry about that. Good evening. I had a little last minute technical difficulties there. Okay. It looks like we have a quorum lying on Mr. Neves because you have to call the meeting to order the special meeting of the board can I have a roll call please? Trustee Caldwood absent Trustee Dorsey present Trustee Liger trustee liger present thank you trustee mcdonnell absent present yes yes you're present sir trustee mcdonnell absent trustee russell present trustee smith present yeah man barry president um trustee college said he be a little late in joining in so just to inform you so at the moment you have five present two options very present two absent okay sorry we do have a call So, we do have one item on the agenda, which is the election of officers, and specifically it's the election to complete the remaining term of the current chair due to my decision pursuant to the letter that i sent out to the board announcing my decision to relinquish the chair

0:02:56 um i'd like to put on the record my reason for the decision so for the record i decided to relinquish the chairmanship because i believe that the board's decision to increase the salary of the administrator to 250 000 plus housing and other allowances is logically indefensible and fiscally irresponsible it is significantly more than the incumbent administrator had asked for and more still than he had been willing to accept is inconsistent with recent representations to the verse 9 legislature requested an increase in the government's employer contributions and funding for the system's administrative costs it contradicts and undermines our argument that the system is not yet financially ready to reinstate the member loan program I detailed these reasons in a September 23, 2022 memo to all trustees as the basis for convening a special meeting to reconsider the decision. None of my arguments were rebutted or even seriously considered at the September 28 special meeting that was convened for that purpose.

0:04:26 instead the board emphatically reaffirmed its original decision the vote was five in favor one against which was me and one absent therefore i have concluded that i cannot credibly defend this decision to all members and stakeholders which is the responsibility of the chairman hence my decision to relinquish the chair i intend to remain an active member of the board and wish at the members discretion to retain chairmanship of the budget committee and or the investment committee at the end of the statement so without further ado i do i just call for nominations Mr. Nibs that's it's the process uh that's that's Mr. Chair okay so I should entertain nominations to to to to fulfill the remaining term of the chair uh I I think the I think my current term expert would have expired in january sometime i don't know don't recall the exact date mr nips do you recall i don't okay it's it is in january of 2023 is it january or february okay okay mr chair i would like to make a motion if i can a bit of nomination before the motion before the motion member trustee smith i i need to go ahead i need to respond to what the chair said in terms of why the motion was made to increase uh mr nibs's compensation

0:06:30 and i want to respond to it because i i made the motion it was second and it was approved by all five members and the chair opposed it i think the public needs to know why that decision was made and let me begin by the fact that i had an understanding that mr nibs wanted to leave the position much earlier for retirement and at the origin of the chair and the members he extended his contract at least two or three times. I don't have the exact amount of times. He extended that contract because our search for a replacement just simply failed.

0:07:35 and we could not find a replacement for Mr. Nibs and we asked him to stay on and he graciously accepted it but he graciously accepted it without any increase in pay and with any or any consternation as to doing his duties without adequate compensation so we reached to 2022 and we still cannot find somebody to replace mr nibs after several attempts the funding came true for the gers of the cover over and i know the members felt that mr nibs should receive due compensation for accommodating the system when we didn't have enough money to pay him as a ceo and ceos in the territory make over three hundred thousand dollars wapa hospital and i could name the rest of them mr naves was being being paid under two hundred thousand dollars for his experience and for his commitment to the system so we evaluated listen to all of the sides the sacrifices that mr name had made to stay on sacrifices that would have increased his salary significantly but he stayed on as a member of the GRS system staff and when we evaluated the entire situation we realized that Mr. Naves was being underpaid for several years and was dissolving of a raise since the system realized a significant shot in the arm with the cover over. So the motion was made and we all adopted it, understanding the sacrifices that Mr. Nibs made over the years

0:10:17 and particularly after we couldn't find a CEO. So, the members felt that Mr. Nibs earned it and because there is money in the system now to pay him due compensation for his contribution, we felt it necessary and our responsibility to pay him what he deserves.

0:10:48 All that said, I understand the concerns of the Chair, but we made a vote, and the Chair disagreed with us, but the membership five Board of Trustees agreed, and they weighed all of the evidence that came before us as to why Mr. Nibbs needed adequate compensation for his services so there was a disagreement in the board and the chair is resigning because he didn't believe that Mr. Nibbs dissolved that and that's fine because he has a right to resolve to resign but somebody the the public needs to know why we made that decision and what went to into that decision thank you very much okay all right um it's it's it's not quite correct that mr nabes wasn't given any any increase in compensation um since he originally resigned uh but now if i went by mr nibs resigned he was making i think it's 140 000 um we increased that to 180 and we added you know we added housing allowance and travel travel allowances and stuff so it's not the correct statement that that we didn't that we did not increase the salary since we resigned

0:12:35 with that as it may we are where we are just want to correct that in the record and i i don't i i don't i don't personally intend to to make any further comment on it i think i've I've laid out my position clearly to the board in the memorandum, which I outlined my reasons. And I, as I said, I've come to the conclusion that as chair, I'm required to go out and explain to members and stakeholders to defend the position and for all the reason that has outlined i can in good conscience do that hence hence my decision so with that i would yes we could entertain nominations Mr. Chair, I would like to make a, Trustee Dorsey, do you have anything before I make a motion?

0:13:55 I would like to make a motion. I would like to nominate Trustee Dwayne Carlewood as the chair. nomination for trusty carwin there second i second okay i would like to nominate trustee dorsey also second who nominate who's second then by Dorsey.

0:14:42 Okay. Any more nominations? All right, hearing none, so we have two nominations. Can we discuss discuss a little further some criteria or is it set in the bylaws because I think we are selecting a temporary yes cheer to solve until the actual nomination in January comes up yes and i want to suggest to the board that it was already said yes i'm sorry we have a motion on the floor so so speak speak to the motion i thought this was already made clear yeah i made it i made it very clear yeah it's a few months to fulfill it you remain in terms of coffee yes and sometimes in january january did i that make that claim yeah oh okay so i think it's time to get to the vote i guess so so we have two two nominees you have colin and darcy so let's realize

0:16:39 are all those all those in favor of how are they how are they but mr chair if i me if i may take a vote take a vote take a vote yeah again i i don't know that you want um folks the votes to be known like that what i would suggest is that the trustees could um text or email their votes to me as counsel to the board and i will then tally the votes um so that nobody's put it in a comfortable position that they have to indicate in an open forum how they voted mr chairman it would usually come to the board secretary and when the internal auditor was here the internal auditor would attest the amounts i've never seen it going to the board board council yet now that's that's correct that's fine that's what i was asking i was asking for direction so so So the vote is open, the floor is open for the vote?

0:17:49 Mr. Nibs, I could only send you my vote by WhatsApp, because I don't have reception for the regular text. OK. so so we have we have 10 minutes 10 minutes to send your votes in i just have a point of information to i guess mr nibs and attorney peter whalens um you're saying in the past i will send my vote to mr naves when you cast a vote you're not supposed to do it publicly to the constituents is that what you're saying? Hello? Hello?

0:18:49 Hello? What did it? Yeah, I had a point of information chair. I who's asking in terms of the process. I guess in our bylaws, you're saying that when you cast a vote, you cast the vote, you don't cast a vote publicly. Is that what you're saying? Is that part of the bylaws? Is that directed at me or Mr. Liv?

0:19:18 Either one of you guys, whoever can answer. You know, since I've been here, I've never seen it done publicly. And only the time I saw that was when Dr. Collin was leaving. If you usually would have a secret ballot, they would put it on a paper and they would give their votes to me. I would tally the votes and report it out. Okay. All right, so, but is that in the rules? That's what I was asking, Mr. Neves. I don't know, you'll have to ask the board council. Council Williams. There's no specific provision in our bylaws or the board's governance policy other than the board should hold an election.

0:20:07 So we should do it openly to the public so the constituents can know that. There's no reason why we shouldn't do it. I don't know that it means that. I mean, if there's a motion to do some action, all those are done in open session in terms of what you may call a public vote. For purposes of election, each trustee should be able to cast their vote with option for any other offices in the country. Again, technically as Mr. Nibs indicated, if we're all in the boardroom at St. Thomas or St. Croix, the custom or the practice has been the trustees would write um the person that they're voting for on a piece of paper and then it will be tally um obviously there's no if there's only one candidate and there was a by election by acclamation that could be done publicly because there was no context let me ask a question is there any is any is there any board member that has a objection to an open vote so i mean if there's no objection to to vote to make it to vote in publicly i think we should proceed that way i choose i choose i have no problem in voting publicly but i choose to send my vote to mr nibs this is my choice it's my choice to send my vote to mr nibs okay and let's let's let's do this and stop prolonging this whole thing yes because i have other things to do and we're gonna we're gonna lose a call in a minute so we need to get this done

0:22:15 So, Mr. Nibs, you got... I received three votes. Not a vote. Mr. Nibs, I come in now. Text Mr. Nibs. Text Austin Nibs. What do you want to say? You've got to admit, Trustee Russell.

0:22:43 Oh, okay. Sorry. thank you mr nibs i just send you my text i know i just received it but i nominate those so i ain't gonna vote against it so i i do your partner to me how will happen yeah come on thank you mr nibs i i i was sending that text where i wrote for carlin yeah okay six trustees are sorted colwood four votes dorsey two votes okay okay so so my majority vote um it's a common trustee college has been elected to serve the remaining time of the chair um is there any other business is there anything else you need to do mr nims uh uh pedro um um that's not a privilege of the floor um if i if you would entertain that because there were some questions in regards from makita in regards to the meeting dates um i circulated uh An email that I received yesterday, well today, from Mikita, actually they set dates in October, November and December.

0:24:44 On the October 11th date, they feel that it's a little too soon because they will not be able to do a good job because performance reports updates would not be available at that time. So they want to beg off or reschedule the first meeting of the Investment Committee to, well, we said November 8th, but November 8th is Election Day, so it would have to be November 7th. Didn't we have an October date in there, October 11th or something?

0:25:20 That's what I just said, sir. I said the bag off because they're not going to be able. It's too soon. And the performance reports will not be available in time to give a good representation or good presentation. Also, they mentioned that in the last meeting, Trustee Dorsey had indicated that he wanted reports at least 11 days before the Investment Committee meeting. So they will not be able to meet that request. Also, like I said, in November 11 date is a little too soon because of the performance reports that they wouldn't have to present to make a good presentation to the board. So they're asking that the first meeting be in November. I'm going to indicate to them November 8th is a holiday and the election day. So I would request that it be done on the Monday, November 7th, from 6 p.m. to 8 p.m.

0:26:21 Okay. We can't do it after the election? Well, he's available. He said he's usually available on Mondays and Tuesdays. He wouldn't have any issues with Mondays or Tuesdays. Other days we may have some conflict. He wouldn't be able to do it. You know, it's better, I think, for the board in the evenings late afternoons because you know um some of the trustees have commitments during the day yeah so um he's available on mondays and tuesdays yeah i'm just i'm just a little bit concerned about given all the activities going and going on in the financial markets and inflation and interest fed moving interest rates around um i i'm just concerned about last time we heard from them was sometime in September and now we're skipping a whole month. Could it do a late October? I mean that's that's my that's my concern is I appreciate that he I appreciate his point about getting the the end of the end of month reports to be included but I'm a little bit concerned about about getting updated on all the goings-on that's if he could write us something in the meantime.

0:27:51 I remember Mr. Chair, we moved up the monthly meeting a week, so if the monthly meeting had remained and you know it's what we can turn in October probably won't have any problems but we moved it up a week yeah I'm honest on that I can see if I can see if he can do some writing but you know I can ask him to write a memo I know that he's not he said there may be no transaction of assets report on i know that we just received we just signed the contract for the ssgs i'm not sure we did receive the monies um all right so so if i may mr chair i think um mikita did submit a memo dated september 20th to the board okay yeah so that was the last memo so i was saying could we get one for october 28th Even if you can't do the meeting, at least get a report. I mean, I'm uncomfortable going two months without hearing from our investment consultant, given all the volatility in investment markets.

0:29:12 so if you could write us if you could if you can write it to mr festino and oxen you know ask him if he can um write us a memo for the 19th weekend okay this is the 19th of october okay okay okay well chair this is a question with mr nibs um mr i agree with trustee russell um the election being on november 8th and november 7th is the day before so that's going to be pretty busy um can we just do it the day after the election the day after like i said trusty dorsey he's mr christina has expressed two mondays and tuesdays is best for him he said he had other commitments um so he said like if you do it at a different time during the day like i said it's hard getting trustees to commit to join a day for like an investment committee meeting you know some attorneys and you know they have commitments so um you you know so six to eight on a monday or tuesday was fine with him now i can ask but he already expressed that mondays and twosies are best for him okay now you do it the following monday after election is that too late no i mean no yeah we don't you know i don't want i'm looking for earlier than later yeah but if we if if if people are not available on the eighth and then um the seventh and eighth

0:31:04 what are we going to do because they're going to have to either push it back or push it up i didn't hear that people are not available okay yeah i like me smith i did carry it the week after the election election is wrong time to to you know it changes gonna be made it might be a run-off a lot of things happening the monday after the election uh sound good to me because we're going away uh for the conference and then the election is on us and and we have our meeting on the 19th and he clearly said he wasn't ready so you know i like miss smith i did and one day after because 14th of november yeah yeah i'll let him know 14th and 15th no problem i i i have my i'm not clear on that okay because he was asking for confirmation for the november 8th but it's an election this so i would i would um let him know the 14th and the 15th is best for this time and the um we will get a report relax for report for the october since he cannot present some type of update a written report right mr libs okay i'm memo sometime before okay okay do we have anything else so did we push that meeting 2 to 14 the following monday yeah the 14th or the 15th whichever is available for you yeah the 14 works for me the following

0:32:53 monday okay so agreed that's the 14th i push for november 14th okay thank you mr names thank you we don't have any more business right no not not as far as i know move that second absent trustee dorsey yes trustee liger yes trustee mcdonald absent trustee russell yes trustee smith yes Trustee Bowery? Yes.

0:33:46 Five yes, two absent. Okay. Thank you. Thank you, everybody. Have a good evening. You

People named in this transcript

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

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

2x **Trustee Ronald Russell**
heard in this transcript as: Russell

2x **Trustee Vincent Liger**
heard in this transcript as: Liger