GERS BOT Monthly Meeting

GERS Retirement System (Board of Trustees)

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0:00:00 all the names trusty carlwood yeah trusty dorsey absent trusty liger yes i'm here trusty mcdonald absent ex-official member sydney richardson absent trustee russ present oh i'm sorry president trustee russell trustee smith present trustee barry present six present and one absent and two absent i'm sorry we have a quorum with five members present trustees present okay could we move to the next item on the agenda please that's comments and suggestions from retirees are there any i don't know i have to ask mr um this is if anyone is in the waiting room there are uh two retirees in uh there's a sydney richardson and uh susan clarkson okay so would you have to let them in to see if they have any suggestions or comments they're in their room right now

0:01:59 okay so to to the retirees on the call uh we are appointing the agenda do we accept comments and suggestions from retirees so do either of you have any to offer at this point and they're both on mute quick correction on my part um miss richardson is the acting director of course net so we have one the susan clark okay could you find out whether she has a comment or suggestion or isn't isn't she the reporter for the daily news yes i'm the reporter for the daily news i have no comment oh okay thank you all right so let's move to the next item on the agenda um secretary's Minutes?

0:02:58 Mr. Nibs? Four. Four who disapproved. Motion, we need a motion. Motion to. There are three sets of minutes. We have June 17 minutes. We have the July 29 minutes and we have the August 26 minutes, three sets of minutes to be approved.

0:03:31 So we need, I don't know if you're looking for three separate motions, but there are three sets of minutes to be approved. Well, Mr. Chair, you may want to inquire if any of the trustees have any objections to any of the minutes, and then if not, then you could do them all at one time. okay that's that's a good idea so um any objections any comments any corrections from any other board members so many of the minutes i don't have any i abstain since i wasn't present for those meetings okay any other board members i haven't reviewed the minutes that's i haven't had an opportunity to review them if i attended a meeting i would um i need to look at them could we um pass and approve other the minutes and go to another part of the agenda until i read some of those minutes um okay okay we could come back to that yeah because i i i think i attended one or two of those meetings and i i need to read through the minutes before i make a motion to adapt them um okay any board members have any objections to that Okay, all right, so we'll go to the next item on the agenda, Trustee

Wasser, which is communications and correspondences.

0:05:26 The first piece of correspondence was a letter from, dated August 31, from the legislature of the Virgin Islands, from Senator Velia as chairman of the Committee on Finance, and it had to do with a bill number 34-0099, which was introduced by Senator Dwayne Regraff. It had to do with amending VI code, chapter 25, section 530G, and chapter 27, section 705C, relating to the monetary retirement age of police officers, firefighters, prison guards, to change monetary retirement age from 55 to 63.

0:06:13 they requested our input in regards to support of disadvantages advantages economic impact and recommendation to the bill was supposed to have provided written testimony on september 13th this bill was the advisors bill was tabled so we did not submit any testimony Aaron was next piece of correspondence comment on that correspondence Mr. Chair because it would it would it would be in our best interest to address Kim Linda Bill uh as we think about the funding sources from the legislature and um since the bill was postponed it might give us a opportunity to offer a more comprehensive amendment to that bill um and and i think at some time we should discuss it because what is being proposed is to correct some of the mistakes the legislature met along you know the drs history and if we propose uh amendments to this bill might be the best way to approach getting legislation before running i'd like to i'd like to discuss that letter at a later date mr cheer when we addressing

0:08:11 uh issues to solve the insolvency okay um may i add mr chairman from what i understand when i spoke to senator yeah when i spoke to senator graf on monday at the subcommittee meeting he said he pulled these things back because they wanted to further discuss them in um i guess they said their own um subcommittee i know that they have a meeting tomorrow to discuss certain things but also i send this bill to um i understand what senator um trustee russell is saying i agreed with him but i i'd send this bill to the actuary to um do an impact for me and he said it's it's really nil i mean kathy can can voice your opinion on that also but he's saying that it wouldn't um provide any impact to the insolvency i i i kind of i think if i understand most you also um position i think what's what i what i hear him saying is that um instead of simply responding to the bill as proposed that we use the opportunity to propose something else yes yes and alternatives that could solve some of the discrepancies in legislation regarding the retirement age regarding uh you know a lot of issues that have been brought up over the years and since you have an inroad with a bill that is

0:10:04 proposing a change we could uh use that in road to suggest some of the changes that are absolutely necessary to help the the the that's what my and so you're right chairman barry we got i think we got to use the opportunity i i agree with you i agree i agree that position um trustee also and um so as you understand as you understand that mr nibs is he planning to bring it back that's my understanding this i guess you know you've been in the meetings you know you see the dynamics i think you know he did say he's gonna but they're gonna review it and bring it back in some other form okay so i i read you um just to rest and not withstanding the limitations of that bill that we use the opportunity for for the of the hearing to make um make any case you want to make for a comprehensive approach to funding i think um i think and every opportunity we get it should be driving that issue home and um so so what what what what i'd like then is when when the bill comes back mr nibs or maybe any future bills that we uh we adopt that approach notwithstanding what the bill is asking for that we use the opportunity of whether the testimony written or all to drive home or our main point that we need to to address this funding thing comprehensively

0:12:04 so when when next that comes up and and we ask to to to response in addition to responding to this we should use the opportunity to to broaden the response to the common insolvency okay agreed okay next piece of correspondence dated august 31 2021 it's from senator genevieve whittaker she requested a meeting testing testing hello we have restrictions that's mr dorsey i don't know what he's doing i i'm i'm hearing him i'm not sure are you hearing us mr dorsey can i go inside mr um hello this has so mute i don't know who put it on mute he's touching it was not on me before can you hear me now i can i can you hear me now i'm not sure if you'll hear me but i can hear you yes we can hear you mr okay let's let's give mr nibs an opportunity to care here okay i think uh he said he's hearing us and he asked me if i'm hearing him i said yes okay but uh mr dossier are you hearing us

0:14:02 Mr. Darcy he's apparently not here but I got to go into Kenan law and everything that's sent from the code I got to use this one because I'm using this one for documents are you wearing us because no what not hearing you we're hearing you not hearing what did you touch this one no you're not because it was in some are you hearing uh uh mr bowie you're hearing us yes um um um um um um um um um um um um why do you need to unmute your phone Mr. Chairman, I have some conflicting schedules.

0:15:38 I will have to leave them to attend George Andrews here. George Andrews hearing and at 11 I have to attend a hearing with George Bartlington so I am going to be on mute so I just want to alert the other trustees the administration and the members of the retirees that I have to attend these hearings so I wouldn't be in in our meeting at that time but i would announce when i'm coming back and when i'm leaving okay okay so we will we will be can you repeat what you just said i was muted on the site morning mr chairman where do you want me to go i i'm reading a letter from senator whittaker yeah yes continue continue that he requested a meeting with with me and i invited i attorney smith she wanted to discuss uh certain things that she was considering probably um putting forth as far as legislation it was a very fruitful meeting and that's all i can say about that next piece of the last speech of correspondence is dated september 13 2021 it's from bi water power authority it's addressed to austin nips it says there mr nips please be advised that the virgin

0:17:30 islands water and power authority is working to secure the necessary funds to pay the authority's outstanding employer contributions regretfully because of combination of adverse conditions substantially higher than projected fuel prices insufficient rate support and a long-standing unfavorable regulatory and political environment the authority has not realized sufficient revenues during the past 10 months to fund some essential expenses as a result the authority was unable to remain current which is bi-weekly grs employer contributions although it has continued to update the grs on status of the outstanding employer contributions the authority continues to work with the government of virgin islands to secure outstanding amongst both to the authority by its autonomous and semi-autonomous entities consequently the authority is awaiting approval of a supplemental appropriation the governor of virgin island submitted to the legislature to pay down a substantial unpaid obligation that is owed by the virgin islands waste management atari accordingly as soon as the authority secures the sub supplemental appropriation it will begin to pay down its outstanding employer contributions sincerely noel arch interim executive director ceo copy to nellen barry grs board chair kathy m smith general counsel dennis jerry meyer cfo kyle fleming bi warren power charity board chair i inquired uh of um the cfo regards and miss rio uh in regards to how much was outstanding

0:19:20 As of today, there are nine cycles payments that are outstanding, a total of about $340,000 per cycle. So the authority owes us without any inclusion of the loss investment, about $3.1 million. That ends my correspondence. Point of information, Jeff.

0:19:47 Point of information. As relates to the letter that was just read from the Water and Power Authority, do you have any idea how much the loss and investment income portion of that is? Mr. Bari, I mean, Mr. Adosi, we usually add on 6%. and six percent uh can we make a motion at this point on this document chair um let me a motion my uh my motion is that we uh legally go after the water and power authority for monies that include the system at this time because they have they have shown they have shown that they have the monies they recently publicly promoted individuals internally so they have money at the highest levels of the system so they have money and they've been receiving millions of dollars from federal federal money as well as the local government this is recent money so So my motion is that we come after the water and power legally for the monies in the system.

0:21:12 Could we have discussion on that motion, please? I need a little more information as to how much and how long the authority has owed before we engage litigation. So may discussion, please. yeah i have a question to along the same line with um attorney russell um and it's uh to the chair is to um mr nips i i've no known they have lagged before um in the past listen mr nips what is your recommendation i mean you can't go legally after someone if they don't have any money well what is your recommendation um before in the past we did file a lawsuit against them and um to settle that's when mr hodge was there and now we settled and they were able i think mr julio rhymer was there at the time we were able to settle and they paid up they had come up to date this is something that has been going on since last year we have been in contact like every month with the CF for Ms. Gottlieb. It's nine cycles, so that's like nine pay periods.

0:22:32 So, you know, I think we should continue to work with them, understanding their situation. I'm not aware of anyone being promoted or that. I don't have anything to do with that. I think we should work with them to see how we can get a payment plan together first before we look to be um you know bringing any lawsuits against them i i agree i mean i think that's the that's the first that's the first approach we should do sit down and meet with them again and see what kind of compromise we could come up with and then we go forward we have to uh legally um pursue as a suggestion i i i believe that motion could be amended to give the negotiation a 60 or 90 day time and if whapa doesn't come up with a solution then we pursue litigation they you got to have a time frame we can't continue to negotiate with them uh in good feet and they have money and they're not paying us so i i would amend a motion to uh to set give the administration grs administration a 60 days to negotiate with them and after that 60 days we revisit the issue and maybe file a lawsuit against them I would like to amend the 60 days to 30 days.

0:24:06 I mean, this is an independent authority and they definitely have the money. It is definitely in the news yesterday that they promoted two individuals to the current acting CEO, Mr. Hodge. Their general counsel was one and their hopefully production of power was the second individual that was heavily promoted. So they have money. They have money. I don't know why we wanna play around. The system needs money. Again, if you wanna do 60 days, we can. I think you just need 30 days with a letter. But if you had to do this last time when Mr. Hodges was in charge, that just shows you the trend. And that's all it is with this system is just a trend.

0:24:54 The same management of the GRS is complaining power is going out this doesn't have anything to do with it it's just a it's just a managed a mismanagement issue of the financial resources of the system and the sources of the system i am willing to that's all it is moving to amend your your motion to allow for the 60 day i will go with the 60 days i would even make a second amendment to go to 30 days i don't think they need 60 days why would what's the justification for 60 days um i'm asking i'm asking the trustee russell what's the justification for 60 days justification for 60 days is that negotiation sometimes involve timing and we have to give our um administrator some time to put things together so instead of 30 days 60 days it's still covered it's still abbreviated okay well well council uh everything trustee russell trustee russell can we can we allow our board council to negotiate we can probably get it done quicker so we don't tie up the system council um i have to leave i have to leave right now i really do a menu motion to to give the 60 60 days um mr chairman barry this response from the interim director was a letter that we sent to him asking to let's sit down and come up with a uh an installment plan so we did we did approach them about that before and he's responding saying that if it appears to me he wants to pay the whole thing off so all we need to do is go back to him and sit with him we can come up if you can't put an entire month off we can work um we do it with all the agencies we can come up with a payment plan

0:26:56 okay we have a motion which has not been seconded by the way i'll second it i second it second your own motion no i second the 60-day motion i retracted my amendment and second the 60-day motion okay so okay so he's accepting he's accepting trustee russell's amendment that that the motion is that we go after whopper for money's owed to the system and given the administrator 60 days to negotiate a payment plan with the whopper if not then they will initiate legal action that's uh trustee russell's motion i'm just a second in case so so trustee dossier's motion is off the table trustee um yes you want you want to make a motion i like a motion that uh we give our administrator and the system 60 days to negotiate with wapa for payment that's due and after the 60 days we are are able to pursue litigation if necessary to collect the money I so move. Second.

0:28:39 Yes. Trustee Dorsey. Yes. Trustee Liger. Trustee Liger. Yes. Trustee Liger, yes. okay mcdonald absent trustee russell yes trustee smith yes trustee barry yes six yes one absent okay okay mr mr cheer i did not understand what senator genevieve whittaker letter was intimating to us and is she trying to meet with the board or the board no she's not okay okay so she's just uh seeking information yes okay i just wanted to thank you okay okay um kind of lost track on the agenda now so you're in communications and correspondences right we just finished that so so the next item is the um um is the chairperson's report yes and um the only thing i have to report is that um i attended a meeting of the subcommittee on gris restructuring solvency and economic development um which is a subcommittee of the finance committee of the legislature and um the reporting report at this point in time is that um i i was impressed by the high turnout of the level of the senate engagement there was a at least 10 senators there um um um there was a lengthy some lengthy discussion with a lot of ideas thrown along on the table um yeah my takeaway is that there's a clear interest and a renewed urgency in addressing depending insolvency and um they it seems to me that the approach being developed is is an approach that seek to to defer insolvency as opposed to

0:31:48 sustainably financing the system and so most of the discussion was around funding money is to defer the insolvency more we have continued we at meaning the grs have continued to impress on the fact the legislature whether it's completely regardless of which committee they prefer the approach and the only lasting approach is a sustainable for comprehensive funding approach um and however we understand that's a big big dollar number the smaller number is is funds the approach that says let's let's see how much it would take to defer insolvency one one more year so we will continue to press on the need for comprehensive approach but of course um to the extent that any funding assistance will preferably than nothing at this point so um the the committee is scheduled to reconvene tomorrow to continue those discussions and that that is that is my report thank you mr chairman um may i comment and add to it sure sure right um we uh had our meeting um our policy meeting yesterday it was very successful i thought and um several matters will come up but um let me ask is it possible for uh trustee members to

0:33:58 uh participate in our meeting tomorrow i'll i'll tell you why um uh mr russell before you i'm just sorry to interrupt you we are not invited we're not part of the meeting tomorrow the senators having a meeting tomorrow they asked us for information and we have submitted information to them but we grs is not going to be part of the meeting tomorrow because i specifically asked senator bailey that question okay well that that settled one issue but that would um what i would say here is that we need to adapt something today to submit to gr uh to submit to the senators as a comprehensive plan for solving the insolvency and moving forward and i am going to make a motion at the appropriate time to submit something to the senators which would include uh revising the budget that they propose to pass soon so that gers would be paid the amount from any revenue source to cover the annuities of all retirees which uh should be i hold 150 million i hold 130 million something that we could submit to them so that i think we need to submit

0:35:45 a document to them okay i have to leave say um okay continue I have to leave. Okay. All right, so continue Mr. Nims. Okay. Where am I? Okay. Administrator report?

0:36:17 Yes. Good morning again. On August 27th, the Havenside Mall Oversight Committee met with Gourmet Gallery principal in regards to reopening of the store. On August 30th, the committee reviewed proposals received from taxi concession at Havenside Mall. On September 3rd, we met with the WICO management. On September 8th, I participated executive search committee meeting. On the 9th, Havenside Mall had a meeting also on that day, on the 9th. On September 13th, Havenside Mall conducted a presentation, an interview for taxi concession at Havenside Mall by the VI Taxi Association, one of the finalists. September 14th, I attended the budget committee meeting. On September 16th, I attended the executive search interview same on the 17th i attended continuation of executive search interviews also that day there was a policy committee meeting that was scheduled which had to be cancelled because members only one member was in attendance on september 20th i attended subcommittee on grs restructuring solvency and economic development meeting on st croix September 21, I attended the Havenside Mall interview at the mall by Best Taxi, one of the finalists for the taxi concession. On that day, I also met with general and deputy councillors regarding a legal due diligence and opinion on easements at Havenside Mall. I also attended

0:38:05 the RFP review for demolition of the warehouses at Havenside Mall. And then yesterday, September on the 22nd, I attended a policy committee meeting. There are, for 2021, 146 remaining applications for retirement that have to be processed, 29% of the 205 that were received in 2021.

0:38:40 As you can see, 2020 about 94% have been processed and we have 29% processed in 2021 for a total of 164 outstanding applications. Includes the government and the autonomous agencies. We're doing pretty well with our disability life certification project. There were 28 life certificates that were received, so these individuals were reinstated on the payroll for August 31, 2021. As far as refunds, so far we have through August 2021, we have a total of 5.7 million dollars of refunds that we have worked on um 510 units of the 510 units 300 units were vested members who um retired we've resigned and requested their um their refunds for about 502 million out of the 507 million dollars we have 81 cases still pending As far as debt benefits, we have processed 2.4 million, completed 53 cases. We have 69 cases pending. The annuity payroll number of retirees as of September 15, the payroll, 8,682.

0:40:21 Cumulative amount paid out to September 15, 247.4 million dollars. number of retirees added to the payroll for the fiscal year 301 the number of retirees that transition from the payroll up to for the same period 318 persons the gross retiree payroll for for September 15 was $10.8 million. As for loan portfolio, we have 2,215 units left between personal loans and mortgages.

0:41:07 Over 2,215 to 2,215 units, only 86 mortgages. The balance are personal loans. The outstanding amount due to us for those units through August, $24.5 million. As far as for our buildings are concerned, St. Croix building is doing pretty well. There was some minor issues with fire pumps correctly.

0:41:41 And there was a drill, fire drill that was done, is something that is done periodically it was successful the the building as you know it was damaged by a vehicle downstairs and the column the the valid lamp the fence is caused by an accident and the claim payment is county the county waiting for the payment from insurance company guardian insurance in st thomas we do have many projects that are going on the hip replacement roof the hip roof replacement i'm sorry um contractor was selected advanced restoration services contract was executed august 16th materials are in order and schedule work is scheduled to begin in october air conditioning project which is very large project second floor north and south is scheduled for the last week in september and the central air did remove this week the large remaining equipment on the roof front tops next steps in the air conditioning project is connecting vavs install central air control system we design necessary diffusers the anticipated completion days for this project is november 2021 There's a project that is continuing on the DOJ second floor offices will require additional dry wall repairs from prior leaks and water intrusion.

0:43:20 We did go on an energy conservation project, which was something in the works for quite a while. And I'm glad to say that in the nights, light goes off and comes on in the hallways, only when someone is walking into that area, which we are trying to save on our electricity. We'll monitor that accordingly. There's some ongoing projects in St. Thomas District. We plan to do the redesign the lobby and restrooms renovation to become ADA compliant. The architect contract was signed and GRS has received the drawings. Ms. Gumbs, who is the architect on that project? Good morning. The architect is Springline architect.

0:44:12 Okay. Thank you. also we have some fencing repairs and construction we want to enclose the air conditioning area down on the ground in the entrance area as far as haven site is concerned warehouse demolition proposals are in we see five bids we did have a room a meeting on yesterday and it was successful and there's a follow-up meeting with the um individuals finalists that was selected very shortly um we also warehouse gh which is the warehouse that we would like to maintain to move the three existing tenants to that space we have selected an architect carlos ferreira he has worked with us before there was an hour there was quotes that were sent out think three responded and he was selected as far as our rentals are concerned um as of august we uh august month we collected 190 thousand five hundred fifty five dollars and ten cents total fiscal year to date for rental electricity we collected 1.4 million dollars i'm glad to say that we have no arranges in the rental area there's a small amount of a marriage um but 43 344.22 the majority is between justice in exhibit a you can reference that in exhibit a between department of justice for twenty thousand seven hundred thirty eight dollars division of personnel twenty two thousand hundred and sixty seven dollars and a small amount from rest care that's our federal tenant in the lobby as far as leases um

0:46:16 The current lease for VI Housing Finance Authority expires on September 30, 2021. So we are looking at a one year renewal awaiting signature. That's the office where First Bank used to occupy down on the first floor. Division of Personnel, we are awaiting approval from Propton PQMT legal team.

0:46:46 department of justice um the team met with department of justice representative to continue negotiation on august 23rd the revised draft was sent to doj on september 15 2021 the awaiting response casino commission also have had some interaction with them in regards to some new language in regards to right first right of refusal i think i guess they're thinking in advance if we want to sell the property they would like to be the first in line grs responded and revised the language to reflect first right of notice on september 15 2021 as far as fema we've been working very mr clinton and gums has been working very closely with fema and we have been in getting back our monies, that we have our reimbursements for FEMA for the Havenside Metal Buildings, St. Croix Complex.

0:47:53 From time to time, we do submit a schedule of how much we have received. If Ms. Clendenin wants to add something to that, she can, but we have been getting back our reimbursement checks reimbursement checks from FEMA for whatever work that is that is included in the reimbursement projects. That ends my report. Did Ms. Trenton want to add anything? No, Chairman Borey.

0:48:26 Okay, any comments, any questions on the report? Yeah, I have two comments. Chair. Chair, go ahead. I just had a question on the warehouse. To remove the warehouse, just for clarification, does the West Bay group still owe us money or is that account settled as that alternative investment? West Bay?

0:49:00 The supermarket, you mean? Yeah, the supermarket. we know that we settled and there's an outstanding amount um that is due from us from the principles that is that is known that's an illegal report okay so i guess my question was i don't know if we could have did an offset since they're uh the one of the principles and that is part of the dump the local dump banished the dump they do uh i think he's i think he's part of a group that submitted a proposal i think i'll leave it as that we are presently reviewing improved proposal i don't think we should interfere with that i was asking i was asking a different question though you're not you're not listening i know what you're getting at sir but i don't think we should bring it up at this time well let me finish my thought i was asking the organization still owes the system money that organization is involved with the dump they run the dump they manage the dump they remove these type of projects these older buildings they do that kind of work the monies that they always could have been done or in a settlement agreement where they could have been the one to take the building down which would have been an indirect savings of monies to the system as opposed to going out to big i wasn't that was one point so i don't know where that's at but i think that should have been explored and i still think that should be explored even if they submitted something that should have been a meeting of the minds and that didn't happen the next item i wanted to speak about was the electrical portion of the back payment due from the division of personnel and the department of justice since then you know how it's set up they're not separately metered and it doesn't appear that this group wants to go along that road of separating it out so they can be on their own and pay for their own light bill i suggest an amendment to the current

0:51:19 lease where they prepay and we can average it out but they prepay each month towards the electrical so that the system can be ahead not behind and waited for them to come up with a bill and then we pay off the bill because we're behind from that standpoint we're prepaying for a tenant that doesn't make any sense to me but i think if we put the language in they prepay we draw down from a fund it can be an interest-bearing fund so the system can get something off of it but i'm just saying that the way it's set up now with is right now we're down to 40 40 about 42 000 about 42 43 000 between the two but as it stands right now i mentioned from the past we need to look at separating out the electrical however that seems to be an issue i never got a second on that um but going forward that's my suggestion so chair i i would like to entertain a motion at this time that we amend the leases for the tenants in general on this document i I mean, who have leases in this property, where we're prepaying for the electrical so that they would have to prepay us and be drawn down from our account. But now we pay for them every month and then look for the money after because that just puts the system overall in a negative position to be prepaying.

0:52:59 So that's my motion. okay um not sure if this is the point for that but so there's a motion there's a motion on the floor there's a second so there's no second emotion mr bossy okay my second motion uh today for this part of this process as relates to the demolition of the warehouse on the dock that we entertain I we entertain a motion I'd like to entertain a motion to explore the communication between if you give me one minute Mr. Bari, Chairman Bari? Yes. I would respectfully request, we had a meeting yesterday in this demolition project and it's a legal issue.

0:54:18 Okay, Mr. Dorsey is a member of the oversight committee. I think he should bring that in there. I recognized yesterday that this person was in a police and he's not opposing himself. And I thought about it in my head also. However, I think Mr. Dorsey doesn't understand the settlement agreement, okay? This person he's talking about has paid more than what is owed of his own monies into the project.

0:54:51 The settlement agreement is basically against the two other principles. So I think this would be better discussed the oversight committee we haven't completed the process yes you're tainting the process i'm not actually seeing the i'm not actually seeing the group in here i was just trying to get the official name but oh yeah we don't want it exposed mr nips i don't think those names should be exposed at this time in the process it's not a public um it's not a public document this time this matters before the committee to review all of the proposals and none of the names of the people who submitted bids have been uh mentioned to the public and i don't think we should do it in this forum but why y'all are discussing an executive session if he wants that um could he discuss it in the executive session then yeah okay yeah that's that's move that conversation to executive session Okay, that's fine.

0:55:58 Okay. Thank you, Trustee Smith. Go ahead, Mr. Neuse. I think next up is the committee reports. Okay. Any committee reports? any committee reports there was a committee report from uh the policy committee but he had to step away i wasn't here for why he had to step away i came in late so i'm not sure why he stepped uh trustee russell had a report to do today okay if he said he was coming back chair he said he might come back yes that's my that's my understanding okay so i guess you'd have to do it at that time okay the budget committee met um and had uh initial presentation of the budget from from the fund management um i think we lost call before we could get to a point of of um of a recommendation to the board so i think what what i'll just leave it at that i'll just i'll make a few comments um i guess we'll have to make the presentation over again when we get to the item on the budget when we discussion the board mr nibs so um i i i would pass on any budget report on that matter was it coming to report um since we're going to have to review it as as a full body when the budget comes up for on the agenda for for review and approval so i assume that that um uh chair can you repeat what you just said members i'm back i'm back thank you i said that the budget committee met and we heard a presentation from management on the proposed it's called 22 budget um we did not have a a recommendation to the board on on the budget and so we will have management repeat the presentation when we get to the item

0:59:11 on the agenda that deals with approval of the budget so so chair um mr mr mr wesley's back um see i had a question related to your comment just now related to the budget yeah go ahead budget in the budget committee meeting uh that i was part of i had made a request if we can add an item to your agenda and you indicated no i you didn't explain why you just kept saying no i asked you three times you said no and i told you that what i wanted to add in that meeting was a budget related issue and you said no so my question is can we discuss it now we have a right as trustees to discuss it now it's a budget related issue the budget is on the agenda right well you just mentioned it and i couldn't get it in at that time i'm not sure if i'm going to be able to get it in at the budget time but i'd like to know if i can discuss it now we'll discuss it when we discuss the budget mission okay let's move on um just for clarification chair i just have a point of clarification for myself i'm just trying to understand at what point in a budget committee can the members of the committee add something to the agenda what is the process which agenda you are you are the chair of the budget committee i am a member of the budget committee i asked to add a budget committee item to the agenda for which i'm saying times to your agenda was your agenda the budget committee committee yes you said no three times

1:01:14 to add anything to the agenda we have added things to the agenda in the past but i made the recommendation to you to add a budget item since we were talking about the same budget for the system and i had a issue with an item related to the spending of the grs money i asked you if i can add it to your budget in the budget committee so it could be vetted at that time you're telling me no that's what you said so i'm asking you today what is the process to add an item when you chair committee the process to add an item is the request of the chair of the committee okay but i told you it's related to the finances of the system yes so you're still saying no because i'm the trustee asking miss mr mr dawson this is not a budget committee meeting here this is a board committee this is a general this is a general meeting i understand that so i'm asking today because i couldn't get it in the budget committee if i could ask the question today that i had for the budget committee i said you could ask questions discussing the budget right but i'm also asking you now what is the process the process is that you ask the request of the process to get it on a committee meeting agenda no because when i ask this question at a general meeting like today you will say to me well i'm going to put that in the committee the committee that i'm going to assign it to is the budget committee you assigned it to the budget committee and i still couldn't ask the question so i'm trying to figure out when but we'll get to the budget committee today i shouldn't have i should have been able to go over this with you and the

1:03:04 other committee members and the subcommittee that's what the subcommittee is for okay that's that's your let's let's move on no but that is this for we have legal counsel here to to explain what is the subcommittee for through the board to legal counsel what is the subcommittee that is not part of the agenda this is not about your opinion or mine you know it's the process it's the process when i speak in this general meeting like mr nips just said i'm speaking about an item you want to put in an executive session fine the last time i spoke about a financial issue that affects the system you said you want to take it up in a budget committee or committee you said you want to put it in a budget committee i said it should be in the development committee you put it in the budget committee fine you came to the budget committee and you still wouldn't hear my point you wouldn't even let me put it on the agenda so there is you're in a you're in a general meeting and there is a there is an item an agenda item to discuss the budget so if you have a budget item we'll discuss it when you get to the item you're just you're just affecting the finances of the system when we don't discuss what we're here to do i'm dealing with a budget issue that's spending of the system's money i asked you in the budget airing to put it on the agenda you refuse to put it on it should not be because you're a chair you refuse to do something that's for the betterment of the system mr darcy you're repeating yourself you've said the same thing about five times in the last five minutes

1:04:49 we're going to come right back to the same thing you can you can move on we're going to come back to the same thing i'm still going to ask the question again okay mr chair yes if i may weigh in and again just for general information all committee chairs have the right and the discretion to set committee agenda if a committee member who's a voting member of the committee has an item that they want to add to the agenda they should make that request to the chair if the chair agrees with that then the agenda can be amended if the chair disagrees then the member has the right to make a motion to add the item to the agenda if a majority of the voting members vote in the affirmative then the item is added to the agenda if a majority of the voting members vote no then the item is not added to the agenda okay so there's a process mr dorsey okay so i'll make a motion at this time this is not a committee meeting it's in a committee meeting i thought it was a committee meeting um you you you have to make that motion only if i understand um i misunderstood yes oh yeah okay i was i was i was speaking relative to what happens in the committee meetings the process i just explained if there's something that trustee does she wants to add as the chair has said the budget is on the agenda for today when that item comes up if there's something that any trustee wants to discuss that's not before the body then they have a right to make that motion to add whatever the item is if they get a majority vote to add it so be it if they don't then it doesn't get added to the budget discussion for today okay so i'm making a motion today under the budget section of the agenda you'll have to wait until we get to that you'll have to wait until you get

1:06:57 to that item so okay i have another a point of clarification from the chair on the agenda today you have the uh on the new business so the items on the new business uh council i have to wait till we get to that point to have a discussion about it as to why it's on the agenda that's what i'm asking i'm not sure what you refer to as to what is white is on the agenda the on the new business it has the approval of the hkt energy group llc proposal and i thought that item was voted on already i mean if mr trustee dorsey if you have issues or questions about that i would the appropriate thing is to wait until that item is called on the agenda and then you could raise whatever issues questions or concerns you have at that time okay thank you um yes i'm here i'm here did you did you want to report you on your committee meeting yes thank you very much mr chair um to the general membership of the retirees who might be participating and the administration and trustees who did not attend this meeting we had a meeting yesterday for the policy committee it actually was the first meeting and we discussed several policies and we discussed several initiatives uh first we approved the tele um telework policy and

1:08:53 it should be on this agenda for approval by the entire border trustees we held some policies statements and documents in committee for further revision and we approached addressing some of the issues that might come up regarding procurement and governance and in the medical policy. The medical policy was discussed extensively and we may have come to an agreement that would be submitted to the policy committee as soon as we convene our next meeting so that the medical policy might get approval shortly as with the procurement policy. We considered them and we had very good discussions regarding these policies. We adopted a resolution going forward to submit to the the border trustees at this meeting that resolution uh was that we suspend any effort to liquidate any of the assets of the grs uh as we move forward so that um some of the new trustees and some of the ideas that have been circulating can be vetted regarding the grs its solvency and the use of its assets uh we will bring that motion uh accordingly based on the committee we had a unanimous vote on that resolution

1:10:43 And we had a unanimous agreement that all trustees should receive, you know, documents received by the system so that they can have input into anything that the system does regarding, you know, solvency, finances, investments, and the like. So we had a very successful meeting, and we consider that the first of many since the GRS Board of Trustees now are very active and participating in meetings that could make membership feel proud of the representation they're getting on the Board of Trustees. is there anything that any other member of that committee might want to add besides what i reported and the members of the committee yes um i would say that uh I think he inadvertently disconnected.

1:12:15 I don't think he had finished. okay so my understanding um is that the the the committee is is recommending he's going to make um motions to recommend changes to the policy is that what i'm hearing i believe that's accurate mr chairman okay so does anybody know if the intention is to make those motions today i believe that was the sentiment of the committee and the resolution that they or the motion that they passed was that they were going to bring it to the full body today yeah um i was disconnected temporarily i'm sorry about that um so uh okay thank you uh attorney williams so that that would end my report um uh and and we hope that you know the border trustees uh would adopt these we call progressive measures be moving forward thank you very much so the just just so i'm clear the the idea is that those those recommendations that the board the the committee adopted would be forwarded in the form of a resolution to

1:14:18 proposed resolution to the board yes and and the expectation is in terms of timing when when would you expect to submit those well we would like to make an oral motion today and that oral motion um once we get approval of the board of trustees we will um reduce it to writing and let legal council reduce it to writing since i believe uh the the the approval to uh liquidate assets was in writing and we want to have a similar writing drafted by legal council to cover all of the eventualities but we want to bring the motion today to get the approval of the board of trustees and once we get the approval uh legal counsel could reduce it to writing and we could adapt it it can be adapted today conceptually but in writing at our next meeting okay so uh uh not sure what the process is going for here so at this point uh is this is this the point where that that um that uh recommendation is put before the board as a motion mr chair you could do it in one of two ways since we have committee reports technically you can do it now or you can add it to agenda on the new business so you'll have to motion to amend the agenda to add on the new business um whatever the recommendations are from the policy committee so you can either do it now since you're dealing with committee reports or you could do it um by amending the agenda to add

1:16:22 it on the new business okay i would like to do it now mr chair simply because i all of the trustees are here and i have some um i have conflicts with other meetings and i want to do it now simply because i want to be part of the process okay okay and therefore i i move on behalf of the policy committee that the GRS system rescind the resolution that approved the selling of any assets of the GERS, including properties on St. Croix and properties on St. Thomas. I so move.

1:17:13 second but um chairman russell may i suggest that you not rescind the resolution but simply amend the resolution because we're talking about the dynamic asset allocation plan that contains more than the selling of asset um mr henderson or mr news may want to weigh in on this but simply if i understand what the the point of the resolution is on a motion to amend it to prohibit the selling of the assets that you've described but not to rescind the entire resolution unless that's what you really want to do um because i i think an amendment as you suggested we is is better to do that now and when we see our resolution in writing compared to the resolution that was passed we could adjust it accordingly but right now um i would accept your amendment as you suggested to amend the motion okay well so could you could you restate that for me please so that we could have it corrected on the record it would be to amend the resolution adapting the dynamic asset allocation plan by deleting it to to prohibit the sale of any of the grs assets uh real properties on saying coy or saying thomas okay and and and and i point out information uh chair

1:19:09 the resolution number is 35-215 okay good thank you and so um based on this question a good morning trustees just just for clarification glenville henderson is this amendment speaking to all assets currently under the grs or a particular set of assets all assets okay and and wait a minute it has to be it has to be real assets or real property yeah it can't be all assets that's what i'm thinking because you're talking about we have a liquidity issue is where we have to draw to cover shortfall so you're talking about all assets including liquid on illiquid or just the liquid assets it got to be it got to be real real assets not financial assets can i can i just read what it is can i just read what it is yes okay it's a it starts with it starts with real assets the chair is correct so it starts with the havens havens haven side shopping mall st thomas headquarters which is the building we're in now well i'm in now the main building the estate hoffman and ultiburg uh property uh windward brimer highway that's uh that says you're coming from prismart depending on which direction next to the um the new gas station out there um the st croix uh headquarters similar

1:21:00 building casino control commission building former st croix headquarters the state coakley bay that would be and let me just go back to the the state nolteberg hoffman sorry nolteberg it's 120 acres uh roughly and the st croix uh pokley bay is 170 acres so that that would include all of that okay so i don't know if i left i don't know if i left anything out uh senator trustee trustee russell so so i think we need to restate the motion to make it clear that it's real assets because as the if you and i'm not sure if you need to make i'm not sure if you make any reference to the dynamic asset allocation uh because that dynamic asset allocation is more focused on the investment assets the financial assets as as opposed to the real assets. But in any case, I need to clarify your motion to make sure that we're talking about real assets.

1:22:19 Well, the resolution that, or the document that Trustee Dorsey's reading from is the resolution that adopted the Dynamic Asset Allocation Plan, which in addition to what you said, Mr. Chairman, also provides for a part of that plan the sale of the real asset so if i may um mr rosser do you want me to restate the motion yeah please please the motion will be to amend resolution 35.0215 the resolution adopting the dynamic asset um allocation plan to prohibit the sale of any of the systems real properties including but not limited to the haven site mall the st thomas headquarters the hoffman and nollyburg properties the st croix headquarters it's a casino including the casino control commission building and the coakley bay properties that's the motion thank you very much second second okay so it's it's move properly moved and seconded any discussions i i have discussion but i have to participate in the district so um just just just to clarify um to to prohibit the sale of those assets i i take it unless unless unless the board has a subsequent point yes decides to to do so i mean just question um Pedro in the event in the event of an insolvency um

1:24:37 when we've we've liquidated all our investment assets what would be the what would be harder at that point with respect to the real assets yes i mean the board can always come back and amend this amended resolution so for example let's say two years from now you need to raise you know 120 million dollars you may then amend the resolution to say let's sell you know x or y property so it doesn't prohibit you from doing so or taking some future action to sell one or all of these assets so as currently written you you interpret the language to say that in the future i'm not sure i mean i'm sorry i missed some of what you said repeat as we speak today the current resolution any sale if any assets has been approved by the board right the specific sale but bear in mind and again mr nipson mr harnessing to correct me right now pursuant to the dynamic asset allocation plan i believe there may be some time frames by which the plan is you're going to liquidate these real properties so the system is moving in that direction pursuant to the authority given to them by resolution 35-0215 if the if this was if this motion doesn't pass the system is going to be looking to sell these properties if this resolution

1:26:27 is adopted then the system will no longer be looking to sell those properties unless there's a further resolution that specifically authorizes them to do so so so the distinction here is that they could no longer look to sell because i mean under the current way that they could they can't really sell it all yeah but they could take actions in that direction for example they could put out rfps they could entertain you know proposals from individuals enter into negotiation with them and then come back to the board and say we have a proposal to from somebody to buy the st thomas headquarters and add x amount of dollars board tell us what you want us to do so yeah you're correct that they can't sell them but they could take action towards the sale of the property by passing this resolution you will now prohibit them from even taking action in that direction i have a question what would be the impact of of this decision as it relates to actuarial projections that encompasses all assets are you opposing that question to whom oh i'm sorry Anyone? Mr. Nibs, I don't know if you could chime in on that. I could answer Mr. Henville.

1:28:11 We would increase the unfunded liability if we sell. Yeah, yeah. Hello. Yeah, if I'm hearing you trust it off. Yeah, I don't know if that answer was sufficient for you. Yeah, that answers your question. It's fine. Yes.

1:28:45 Okay. I would just, I would just say this right now we have. If we sell, hold a second, if we sell, the proceeds go towards retiree's payments, right? Yes. Are you asked? Yes, it would. Yes, it would. Okay. If we're saying that we're not selling based on the amendment proposed, How would that affect the timeline of, I'm assuming that would affect the timeline of insolvency or the timeline of the whole actuarial assumptions? Right now, if you look at it, it's only three months. I was one of the proponents of the Indian director. Let me give my justification. I can't hear anything. Mr. Boyd, you're breaking up.

1:30:18 I think something is wrong with the system. I'm muted, Mr. Carbett. I'm muted. Okay. i'm hearing it too but it's not coming from my there's not a general static in the line i'm not sure if it's coming from anyone i think mr liger is unmuted oh there he is all right okay so i'll just offer the justification that i offered at the time um and it's simply this we are we at the time was on were unnoticed by the actuaries and all the numbers that we saw that the system is heading towards insolvency in an insolvency sale of assets is out of your control i mean that's that's almost a definition of insolvency you have to sell your assets in no way we could we could have assets and tell the retirees that we can't pay them the benefits when we have assets sitting and so So the idea was that if you're going to have to sell these assets anyway, in the event of the increase.

1:31:56 that the time the time to do the sale would be would not it would not be when we're flat vote because when you're out of money and you're flat book and you have to sell then it becomes a yard sale you must take what you get you really have no bargaining power so it makes more sense to if you have to sell to sell it under conditions that we can control as opposed to sell it as part of a bankruptcy sale that was the rationale for for the directive to be the management to begin to look towards the eventual liquidation of those assets uh if if the board feels that we need to take that off the table then that's that's that's your decision and we have a motion on the on the floor um could you could you repeat the motion pedro could you read the motion i assume it's as soon as i assume it's trustee trustee um trustee what's this motion i think trustee dorsey was second in it i think yes so could you repeat the motion for everyone the motion no i'm here i'm here okay okay

1:33:57 the motion is to amend resolution 35.0215 the dynamic asset allocation plan the um um to prohibit the sale of any of the grs real properties on st croix or st thomas including but not limited to the havenside mall st thomas headquarters huffman and nollieberg st croix headquarters the casino control commission building and the coakley bay properties absolutely and we had a second mr cheer so we are asked for a vote so okay yeah mr dorsey second and so let's see calvert yes trusty dorsey yes trusty liger trusty liger yes absent trusty russell yes trusty smith yes yes chairman barry yes six years one absent uh thank you and jayman barry i didn't get to discuss at the time that the motion was still pending to have discussion i need to give me five minutes to explain some ideas that came up as we were meeting as a policy commission to the entire board and to members please because we we don't we don't resent i mean modify that agreement to sell without having a plan for grs moving

1:35:51 forward and i need to mention that so that our members can feel a sort of confident that we sat and know what we're doing can i have a five minute to explain chamber okay um there are several opportunities for solvency for the grs but the first one and i'm going to put a motion on the appropriate time is that the government of the virgin islands deals with retired government employees as a priority similar to how they deal with current employees and when they pass a budget members that budget should also include payment of retirees So, I want, and Mr. Nibs and the administration of the system to understand that we want the legislature to include in its budget, and this, it could be included in this budget, a portion of any revenue collected by the Virgin Islands government to be dedicated to the GRS which means that we are asking for the legislature to implement a policy that when it is passing a budget that the amount paid to retirees annually is included in that budget right the amount should always be accounted for by the government and the way to account for that is to take maybe 10 15 percent of the gross receipt tax maybe 10 15 of excise tax maybe 10 15 of the hotel room tax maybe 10 15 of property tax

1:38:17 thank you god yeah so that proposal is what we need to get to the legislature as soon as possible and the legislature needs to understand that retirees should be treated like employees and have a priority in the budget every time they pass a budget so whatever now As you have, Mr. Nibs, as the payout for last year, that's the number that we want to submit to the legislature, that they revise their budget, and when they cut in agencies, they with understanding that they're paying retirees as part of the employee package to support the government that is the proposal um we want to submit the other proposals but that corrects the initial deficiency of paying retirees thank you mr chairman so just to be clear must be clear uh he's saying yes are you saying that the grs should pass a resolution or or take a position and submitting right into the as a recommendation

1:40:16 yes okay i could hear you now yes so are you saying that the that the grs should make a formal recommend that as a recommendation to the the legislature hello hello i think he lost contact he's gone again yes okay mr glassy i think you're trying to say something yeah i was i was saying uh chair that but that's what we had agreed on, what we discussed in the policy committee meeting.

1:41:19 We also discussed with Chairman Trustee Crawwood, being the chair of the development committee, that these items that are what we call undeveloped assets that we control, that we bring that under that particular committee. I did ask the question as to was he gonna schedule a committee uh meeting and he indicated that you haven't sent any items over to him so that was another uh motion i wanted to make after during this process since we're talking about these assets so that we can get right on it we have some ideas where we can explore to build capacity to assist in meeting those monthly obligations for the system under the development committee by developing these undeveloped assets yeah as well if i may um chairman bowery i didn't hear your comments i i was disconnected um and i wanted to and i wanted to um regarding um the revenue stream coming from the legislature as a percentage of every new of any revenue collected by the government um because you are the um the omb director and you have you have information about that you could you could add to that so what is your question well the The proposal that I am going to move at the right time is that the GRS system, the Board of Trustees, submit a revenue stream to pay the existing obligation to all retirees. And Mr. Nibs has that number, but let's say it's $130 million, and they revised the budget to include it.

1:43:20 Okay, I mean, the question about the percentage, I mean, if the, my, my, my thought is that if you're going to do that, that should be the recommendation, and then this, it's a general, all those funds, all those monies, all those revenues going to the general fund, so it's general fund obligation yes okay good okay and i don't know i don't know what percent whether the you got to run the numbers to see what what where the 10 is the number right and and and rather than you doing that if the if the request is that they fund the dollar amount then do it in in the map of the budget whether they're funded by additional revenues or by reducing somebody's expense that's i mean their call yes and and i would like our team and we have a good team of attorneys and actuaries and exports to come up with a number because um and and come up with our proposed approach like for example i know for sure um grocery receipt taxes over the last two years have increased this is public knowledge and you could get a nice sum of money from an increased gross receipt tax but um we would have to run the numbers and and spoon feed spoon feed the legislature because if they didn't come up with it themselves they might be reluctant so if you give it to them the amount that needed to be funded

1:45:08 and subject suggestions there are at least seven taxes mr bory that i know collect money for this territory from to the general fund so you know um i would like that to um have our team work out a number and send it to them so that the markup budget before the budget is passed they could consider this and they that to me is a stop gap to get retirees paid for for the next year at least and moving forward it might be cut it could become a policy but anyhow thank you okay all right um so could we move forward in the rest of the agenda yes did you hear my point of information chair no what was it we also discussed in the policy committee meeting of those undeveloped assets the question came from myself to trustee callwood who was the chair of the development committee we have these undeveloped assets when are you having your next committee meeting he indicated to us in the meeting that you haven't put anything on his agenda to have a meeting so i was suggested that we take the undeveloped assets and we put those under that committee so we can start to look at building capacity for the system to bring in another additional cash flow that can help on the monthly obligations that we have to meet so we're not putting all the burden when we come with our package to the senate that we're not putting all the burden on them just like that so that's

1:47:08 where we were at so let me let me let me let me add something let me add something that's that was left out uh trustee dorsey asked when i was after my meeting and my response was there was nothing assigned to my committee after my discussion with chairman ball he raised the issue of the properties and i indicated to him that they were put in the investment committee and my recollection was chairman barry put it in the investment committee because that's a committee where all the trustees have a vote that was the extent of the discussion he um so trusty dorsey trusty dorsey felt that they needed to be in the development committee and not in the investment committee um and and that's i don't understand what can be accomplished in the development committee that can be accomplished in the investment committee but if the majority of the board wants it in my committee i'm fine with that that's just my position i just wanted to put it on the record i don't i don't see the advantage or what's going to be gained by um cabinet in the development committee where uh all the trustees are not voting members as opposed to the investment committee.

1:48:25 You know, I agree with Trustee Caldwell. I think most of the investment and development committees, I think they actually, to me, are one in the same. So I agree it can be discussed in the investment committee. Those are issues. All the members of the development committee are members of the investment committee. Correct investment committees are trustees so they're members that would might be in a investment committee that are not in a development committee but everybody in the development committee is part of the investment committee as well.

1:49:09 Okay. okay well I'll just make a motion at this time that the undeveloped properties that we are working we have under our control which would be the the Coakley Bay and St. Croix the Hoffman and Nolteberg and St. Thomas those two are the other properties and I would make a motion that we put those under the and be on the agenda for discussion under the next meeting or possible I second your motion okay what are we what are we what are you what are we investing but what we're gonna just discuss the the assets no we're gonna just we're gonna be discussing the investment uh opportunities for example as where you sit at the port authority we'll take approach like the executive director of the port authority is doing for his properties where he's gone to the senate to request monies to assist in his capital investments so we can take the same approach that's one approach the other approach we can look at is a public-private partnership going forward with some of these properties that's the approach but we have to start the discussion right now the properties are just sitting there the question is the question is they're not producing any income the question is assignment to the committee that's where we at yeah i was just assigning it to the committee so we can start the discussion but if we don't assign it we don't do anything

1:50:58 then we get nothing done but i don't think i need a board i think that should come from the chair person and the investment committee those are the thing we need to discuss i don't think you need to move um from the development committee it was never in a development committee and most of those these issues is already on the book we just stopped um prior because of um the funding issues but i think that should you know that should be under the um the poor view of the um the chair person he could set up my investment coming and say hey is this what we want to do moving forward with these assets so i don't think i need a motion for that i mean i could be wrong well i would just say this right i already been discussing these areas of concern with the with the chair and i'm only bringing it up because it hasn't moved i've sent items over in writing to the chair and miss coley and like you said it is up to the chair so since i couldn't get it to the chair i'm making it as a motion now so that we can do something because if we don't do anything we'll be here discussing if it should be in the development committee or should be in the investment committee but nothing ain't getting done i'm just saying we put it in a committee let's have a discussion and see where it goes i don't see what the big deal is now i have asked the executive director who said he doesn't mind coming to share his thoughts and his ideas which is mr carlton now as to how he's able to move his seven projects nine projects he's currently involved in with funding from the central government uh i'm sorry from the first branch of government and you'll hear in his opening statement when he comes to the senate he doesn't get any money from the senate from the general fund so he'll say that so i'm saying to you guys

1:52:48 if you read his report his last report at the senate that dealt with his capital projects which is territory-wide he received money from the matching fund so i don't see what the issue is here that's all it was just to try to make some get some money to come in in different aspects i mean to me it's straightforward i'm not sure what the pushback is maybe somebody can clear it up for me i'm just telling you that i've been to the chair it didn't work that way so i'm trying to bring it to this process okay so we convene an investment committee meeting no later than the first week in october and that will be on the agenda so we need you we need to submit submit the proposal that you want to be discussed and that will be on agenda so no we don't need the motion no more i'm announcing right here right now that within next two weeks i'll schedule an investment committee meeting and you guys what you you want specifically just to to discuss items that you have in mind thank you thank you okay good all right um so i withdraw my second and the motion is not necessary okay thank you i will draw i will draw my motion thank you all right

1:54:42 lost my place on the agenda mr nips thank you the treasurer's report we all lost our place yeah treasurer's report i have a last mic please good morning board chair or the trustees this is the schedule of receipts and disbursements for the month ending august 31st 2021. receipts from collection Loan repayment, $1,427,888. Year to date, $13,196,789. Rent from tenants slash utilities, $69,021. year-to-date 1,232,410, employer retirement contributions 10,895,010, year-to-date 91,138,942, employee retirement contributions five million five hundred and ninety eight thousand seven hundred and sixty nine year to date forty six million six hundred and thirty three thousand two hundred and twenty five parking facility two hundred and ninety dollars year to date eight thousand four hundred and eighty one miscellaneous six hundred and seventeen thousand eight hundred and eighty four year to date six million six hundred and fifty thousand five hundred and five total collections for the month of august eighteen million six hundred and eight thousand eight hundred and sixty three dollars year to date 158 million 860 352 disbursements annuity payments 21 million 821 841 year to date 242 million 15 558 administrative expenses 1 million seven hundred and fifty eight thousand eight hundred eighty nine year to date fifteen million

1:57:11 one hundred and seventy five thousand seven hundred and forty four personal loans thirty six thousand 226 year to date 195 110 mortgage loans 31 297 year to date 168 050 year to date retiree loans 11 092 land loans 1036 year to date 1036 refund of contributions 1 million 189 482 Year to date, 8,116,893 for total disbursement for the month of August, 24,838,770.

1:58:05 year-to-date, $265,683,481 for a net deficit of $6,229,908, year-to-date net deficit $106,823,130. So, as you can see, we collected about 75% of what was needed for our expenses of 24 million and had a shortfall of like 25%, our year to date collection was approximately 5% of what was collected the previous year in 2020. our expenditures were reduced by a point three two percent year-to-date administrative expenditure was 91 of budget and due to the year-to-date shortfall of 106 million we withdrew 109 million from the investment portfolio to cover our expenses and obligations i have a i have a quick question i have some questions too after you mr cheer um the the loan disbursement amounts uh what what are we disbursing loans if you look in the supplemental you see that they were for um refunds insurance so the supplemental provides you the breakdown on what those were are for um where is the supplemental it's like the third third page also

1:59:59 okay so we'll see it further on yes okay okay so i'll wait for that when when we get to that page point it out to me please okay so on page 31 on page 32 it has the supplemental which has the personal loans um the 36 000 were refunds what i'm following what i'm following is the the information that came from school and i don't have any pages on that so i as you move to your report once we get to the schedule just just alert me yeah and mr emma before you move on i have the 24 million that was paid in august i think you sent 24 million right in august yes this year for total disbursement for the month yeah yes mr jeremiah he's looking at yes 24 million yeah okay so um if you could clarify how much was of that was direct payment to retirees for the annuity 21 million okay so almost 22 21.8 right 21.8 okay okay so that um is that uh uh accurate reflection of the monthly retirees annuity going forward could i could i use that as a gauge for us to to ask the senate for money on an annual appropriation when you want million times 12 and and deal with that is that an accurate one we could get your number yes it's accurate because i mean if you look at the year today number the year to date go ahead mr chairman barry i said the year-to-date number is 242 million for for for 10 months for for 11 months okay that's it

2:02:15 annualize that number that's the number okay good well that's what we need to annualize and ask the senate to appropriate that so that the system doesn't bleed any more money yeah okay let's let's talk about that some more but that's the number that number tells you the annual payout and that's that was my question because i was using the august figures as a gauge thank you very much miss jeremiah okay so we can go on to heaven site mall yeah okay the haven site mall for the month of august we have um rents um collected from tenants 145 614 year to date one million eight hundred and twenty two dollars one hundred and ten we collected um a total of 145 614 for august yesterday two million two hundred and fifty one thousand forty dollars um the miscellaneous was this was early on i don't quite remember i think it was a a reimbursement for i'll have to look it up chairman i don't remember what it was it was earlier in the year okay okay so it's just just one last question is that like a one time i think it was female's money from money is collected from femur some of it okay so that's a one-time thing that's not something correct okay okay good all right our disbursement personal services 69 379 year to date 965 364 our fringe benefits 35 962 here today 421 712 supplies 4 948

2:04:20 year to date 79 137 other services 3724 year to date 127 117 utilities 6052 year to date 45 226 capital projects 147 457 year to date 1 million 815 146. um total disbursement 267 522 for the month of august year to date 3 million 453 thousand seven hundred and fifty five we have a net deficit in august of one hundred and twenty one thousand nine hundred and eight year to date one million two hundred and two seven hundred and sixteen the year to date him inside expenditure was 66 of the budgeted amount and year-to-date collection was approximately 10 percent less than the same period in fiscal 2020.

2:05:38 that ends the reading of the schedule of receipts and disbursement okay any questions in there okay next next on the agenda is um the um investment officers report motion to move to accept the treasurer's report oh i'm sorry so can i say a second second move that second then Trustee Calwood. Not voting.

2:06:25 Trustee Dorsey. Not voting. Trustee Liger. Yes. Trustee McDonnell, absent. Trustee Russell. Yeah. Trustee Smith.

2:06:51 Yes. Chairman Bowery. Yes. Four yes, two not voting, one absent. Yes, motion carries. Investment officers report. Good morning, Mr. Chair. Other trustees, update of the investment performance the fund as of August 31st, 2021. The total plan returned a negative 0.1% return for the month. Year to date, the fund is up about 1.4%. For the one year, the fund is up 3.8%.

2:07:32 Total fixed income's negative 0.2% return was in line with its benchmark. Our total alternative was up 0.2% in absolute terms but underperformed its benchmark by 310 basis points. Our one active bond manager to capital returned negative 0.2 and outperformed its benchmark by 10 basis points. What that relates to in dollar amounts, we ended a month of approximately 437 million in assets. This excludes our member loans program, St. Thomas office complex, St. Thomas and St. Croix office complexes. So we had a beginning market value of 452 million. We have a net cash flow of 15 million dollars in the month of August, august needed for benefits for benefits expenses we had a total income of $315,847 we had a gain we had a loss of $738,602 and was a loss in value i'm sorry not dollars a loss in value of $738,602 to end up at the ending market value of approximately $437 million for the end of the month. As it relates to investment management custodian and consulting fees, we paid no fees for the month. Year to date, we've paid $400,000. At fiscal year to date, we've paid about $505,000 dollars in investment management consultant and custodian fees as it relates to securities lending we had earnings of about fourteen hundred dollars for the month year to date eight thousand dollars and fiscal year to date about nine thousand one hundred dollars um for the month um mr chair that concludes my presentation of the of the performance of the fund for the month of august 31st 2020.

2:09:39 If there's any questions, I'll be happy to answer. Okay. I'm not sure I understand the negative performance of the assets. You said negative 0.2 and two occasions. I need a better explanation of that. You need a better explanation of the performance of the fund?

2:10:11 Yes. So for the month ending in August, the fund performance was negative 0.01%, which means that for that month, for the month of August, from August 1st to August 31st, there was a negative performance of that amount and that was due to basically just as relates to our current position in terms of our fixed income portfolios.

2:10:55 Exactly, our fixed income portfolios saw a slight negative return for the month of August. As you know, we no longer have equity in our portfolio. So what drives performance totally now basically for the plan is our fixed income portfolio. Due to, you know, the risk of the rising inflation and the current trajectory of the economics with the Fed still buying, you know, still generating liquidity. within the market buying 120 billion water bonds monthly there's just not the yield there's just not that much yield as it relates to fixed income right now okay where we would usually where we would usually have that out performance or the over performance if we had our equity positions we just don't have that juice anymore okay so and and i think you said we pay uh 500 000 in class that's what we who we pay the consultants okay yeah yesterday yeah yesterday we've paid a total of 505 000 um in fees expenses so for investment management we had 442

000 in um expenses now bear in mind um there was a couple of um there was a couple of fees that were lagging from last fiscal year that we paid in this fiscal year so that number is a little inflated oh okay i was wondering uh so is there a provision that if and i don't know if it relates to the fixed income but um when when uh investment underperformed is the consultants also taxed with a reduction of their fee uh currently we only have one active manager um that would be pure capital uh they have a fixed fixed fixed fee management schedule okay so yeah it's okay so it's like a contract okay good correct yeah no problem i just want to know that you know we

2:13:15 we operating solvent in terms of our relationship with these consultants uh because sometimes you know we we have to if we suffering this consultant should suffer too but i understand thank you very much uh for that report you're welcome i think there was one other question there's a quick question um the two questions the the contract with the with the manager is it tied to performance in any way it's not it's it's it's based on the the value of assets that they manage at a given time okay so as the value of the assets go down their their their fees go down that is correct okay it's in their interest to keep the value up that is correct the other question i had was on the looking at the schedule ratio i don't know what page is this um you show us about seven hundred and thirty nine thousand dollar loss okay right now bear in mind this is loss in value so we don't the investment fund doesn't realize a loss until we sell sell a particular asset yeah so this is just the value yeah okay based on the market condition correct okay that's why i passed to to to retire it so it happened to me to clarify that yeah yeah it needs clarification because yeah okay okay one last question because uh projected value and income and whatever our investments can uh provide um give

2:15:14 the feds accommodating covid in any ways um give me a projection moving forward how our how you expect our investments to do in this covid climate and with the feds uh keeping the interest rate down tell me how you think i think um we did analysis um originally when we did um implement the dynamic asset allocation in 2015 and basically given our current um portfolio makeup allocations we're looking at um roughly a 3.9 year over year average return on our on our portfolio going forward if if everything stays true to form as it is right now okay so that would be that that would be the estimated expected return and it used to be up to eight percent with equity that's what you're saying that was eight percent was our our our was our hurdle and it used to be yes exactly eight percent as a matter of fact i think over the from since from inception of the fund we've averaged like eight eight eight point six percent yeah and so now we we are how do we return to try to capture that investment in the current financial climate give me give me your idea given given our liquidity issues given insolvency looming i really can't see us getting unless there's you know unless there's some drastic change some drastic infusion of capital that we could go that we could actually reinvest in some of the other traditional asset classes that we've done in the past which includes equities and and the like i

2:17:15 really can't see us squeezing any more juice out of the markets given our current allocation so what would a pension obligation ban do to our investment suppose we ask the legislature to put float a bond for let's say 800 000 or something like that 800 000 or 800 million 800 million sorry sorry thank you yeah 800 million which i want to ask them to do it so i am there but tell tell us how a projection so that we could give them some numbers how it would help us I can't give you a projection right now in terms of you know I guess I would have to work with it with our investment consultants to to call for the projection but I would assume that we would be able to with our 800 million dollar infusion we would be able to um kind of invest more status quo as we did as we did in the past so we should be able to squeeze more truth out and kind of maybe get more in line with where we walked before where we are now okay thank you very much thank you for that report dr russell just to add to that there is current legislation on the books for only 600 million so the legislature would have to increase that amount to go over 600 million yeah and i think and thank you uh attorney smith but that 600 million was passed in 2007 it can't be in figure now i agree yeah and so i ready to have you know bring it to the board to have that increase i use 800 as a figure so you don't reach you know 1 billion but it could be 900 million too so you know um and i i don't think we should cut any corners with the

2:19:12 legislature we ask them for what we need and that's one we need a pension obligation ban for infusion of cash very mind trusty russell that even if even at 800 million infusion if we don't have a steady you know a steady influx of flow even after the 800 and 800 million infusion you know i think we'll probably just say i mean i i don't have the numbers right in front of me but i can't project that we'll probably go that further if we still if we still putting up more than we've taken it okay and i understand that and well said but we got to start sometime i agree i agree thank you chairman boy what i would suggest um and somebody take notes i don't forget that at the um at the investment committee meeting that we spoke about i mean we put an item on the agenda to have the investment consultant make a presentation yes that's absolutely necessary well said jim okay so there are many other items on the agenda for that meeting that meeting mr chairman that meeting would be in october because i think usually the consultant does a does a investment committee presentation around that time as well so it probably would work in good yeah yeah i mean september's pretty much done yeah so yeah i i i suspect early october all right so i think typically we do have the investment consultant comment and give the board i give the investment committee uh overview basically okay so maybe you could give them a heads up so that they could move up the timetable just in case we'll do that okay all right chairman boring yes sir in the in the investment committee meeting that you had i had made a request i mean i was late today but i had made a request that we as a board have a

2:21:24 meeting today you remember yeah i made a request that we as a board have a meeting today yes just the board and legal counsel you remember that request and the investment committee meeting i don't remember that but so so we have you wanted an executive session something i was asking if we as just the trustees could have a meeting and have a discussion along with legal counsel alone and you said we would do that today you said we would do it before the meeting but i was late that's what you had agreed to we have an executive session coming up which will just be the board and council okay good that's fine um okay so next agenda item do we need to accept that report mr libs no sir okay Okay. The next item is, we're into new business.

2:22:59 Okay. Should we do unfinished business? I'm willing to go forward. Yeah, go ahead. As you remember, Chairman Bowery, in the July 29th special meeting, there was a motion made by Trustee Dorsey, and it reads as follows. A motion was made by Trustee Dorsey and seconded by Trustee Russell to open up the bidding process for a minimum of three proposals for technical assistance for Havenside Mall Energy Generation Project. The motion was passed four, yes, three, absent.

2:23:42 Subsequently, and based on that motion, administration went out and did an RFP for this project. Also, we did an RFP for the JLL project, which you know is the consultant for the dependent development at Havenside Moor. did i think a week 10 or 11 days on the art we came back on august 26 to a regular meeting that meeting had to be cancelled due to lack of a quorum subsequently i requested i got approval from the chairman to circulate the poll vote for this project the jll lasalle proposal and the approval of the vi casino commission building signage i circulated the results of the poll vote on this project i received three years votes yes from carlwood yes from liger yes from barry the other four trustees did not respond the reason why this measure of project is on the agenda today because i think that the haven site committee oversight committee has done what was requested of them on all the projects that i just mentioned the energy generation project and a jll project and we are requesting approval of the project because we have done everything

2:25:48 that was necessary and we requested of us to complete um so that's the reason why it's back in the agenda today i must say that this project we got two inquiries just inquiries and i discussed it with them what we were looking for those individuals did not respond only person responded was the hk f hk t they resubmitted them to us so i think that like i said we have done whatever was we were directed to do this is a very important project um as you know whopper is hampering the operations of the havenside mall on a weekly basis this week we had a lot of problems you know as we know we don't own the generator this project is to develop a long-term strategic plan to replace any infrastructure and solar energy just about that you can ask for more modern modern energy generation you know so all i'm asking is that excuse me no um no you finish i wanted to ask you a question about the even site energy generation plan specific to that so when you finish that way you can you can go forward i also have members of the committees are uh also uh in the meeting today uh there's a manager in the meeting so they can also respond if they like go ahead sir yeah okay i think russell yes russell i have a point from early on in reference to this item even being on the agenda so i need that address from legal

2:27:49 council when i make a motion i don't get a second the motion dies this went through the poll vote which shouldn't have been a poll vote in my opinion i don't think this went to the level that it should have been a poll vote we never had an actual discussion we didn't have a meeting the media didn't have enough members to have a forum the meeting was cancelled if anything we should have had that discussion but my thing was you did a poll vote you didn't get the proper votes it died now if you're following the rfp process that this this process as we voted on as you said the motion was made it was second it was voted on minimum of three votes then they need to go back out as an rfp now we do a poll vote i feel like when you bring it onto it to the agenda you're forcing it on the trustees because it's like it's what you want but this thing already died and didn't get the proper votes it died that's what the chair likes to tell me when i don't get a second it died for lack of a second but this died for lack of four votes so this should not even be on the agenda if anything you should have been telling us today is going back out to bed we didn't get there we didn't get the coal votes and we didn't get it to the rfp it's going back out to bed but just for this to even have this discussion i feel like you're forcing it on us then we had the other questions that we mentioned from the beginning that was never addressed we don't have a policy on the rp process we're in the policy committee discussing that now and i asked in the policy committee if it was even legal for us to do the rp process if we don't have a a legal process to do it but then i was told we adopted portions of the central government process but right now i don't see how this should be on the agenda i think this needs to

2:29:47 go back out a bit i think that's where this should be and that was my primary question from the beginning i need someone to answer that for me so the the the the process has been that this this item was discussed in a committee meeting it was discussed in a special board meeting um at the special board meeting the decision was made to have the the um executive director or the administrator seek bids and and and the the expectation is if you send him out to seek baby the expectation that he'll come back with the recommendation so he went through that process he started this um and he just explained the results of that so he's bringing it back to the board as director actually up how we get to the item the the the conclusion that the the issue is dead so uh they they this is an item that that has been before us for for a while we all agree that we need that that service you discuss it many times the only discussion is who's to provide the service um and we just heard the process of being true so i don't know what it means that even if you argue that it died i mean if you if the board puts it back on the agenda it comes back to life i'm not sure you understand you don't die forever so no what i was what i was trying to say chairman we went through the process with this

2:31:44 legally right and it died through the process so now you want to start it back up without going back out it's like you're doing a sole source in a sense so you're circumventing the process you're circumventing the process because you're forcing us as trustees to vote on this today again so you're you're you're doing favoritism for this particular group it needs to go back out to bid for three more bids if it's possible but it needs to go back out it died and it no it's not as it died forever yeah it died forever because it didn't get the proper votes the same way when i make a motion and i don't get a second it dies forever yes okay um we have a request on the entertainer motion for us any further discussion yeah i have further discussion chair i would also say this, since Mr. Nibbs indicated that the doc has some problems with WAPA this week, they're going to probably have problems next week because these same individuals who were prior WAPA people like yourself and these problems haven't gone away. It's been a total collapse of mismanagement of the funding and mismanagement of the personnel of that system. You just read a letter today from them owing us money on their obligations for the employees so nothing hasn't changed you still have the same players it's just musical chas you're going to get the same results so now you took it from wapa and you want to bring it over here to the grs which is already in a crisis i'm just not seeing the logic with that unless it's just a connection you have as a chair um you you actually you're trading on some very dangerous personal growth so keep talking yeah so

2:33:38 i i had i i thought we was in a discussion phase with uh mr nibs about i i suspect he did the request for product i have to request for proposal and he got whatever he got and i wanted to discuss that so that we could um approach this as you know uh initiative sponsored by the system so i want to go into discussion uh mr dorsey wants to challenge the process of it being on the agenda i'm not i'm not there yet i just want to discuss and hear from mr nibs or what actually we voted on and and are we there if we're not there fine but if we when we reach there i want to discuss the project okay go ahead mr needs i mean just just as a background this is a project as i said that was presented to an investment committee we had a long discussion in the company we had a presentation um by the principals at the committee meeting it was determined that we will call a special board meeting because of the perceived urgency we called a special board meeting and um we what have we didn't get a we didn't get a call mr nizra we didn't get a special board meeting trustee dorsi mentioned that we should be following um procurement regulations that there should be yeah the special board meeting will determine um

2:35:25 trusty russell that we should put it out for bed yes so the question was never about the project itself i mean i think we all we've been discussing this project ever for a long time i think we are in at least more support members uh uh believe that it's a worthy project so the question was about the process of the selection at the time at the special board meeting it was decided that it should go out for three days um mr mr names could take it from there what happened yes well we did submit we submitted um we we we uh solicited bids we advertised in the in the newspapers along with the jfl development contract which also did not go out to bid prior to the to the uh special meeting and we we also did that at the same time in in this current proposed the proposal we're speaking to there were two inquiries and those person inquired and they were not they didn't understand and we told them exactly what we were looking for was technical assistance one was thinking about the hardware part of it which is like a just a generator and you know this was not our repeat for to supply a procure generators it's for technical assistance and there was another person just inquiring as to what it was and what we're planning to do and things like that and i told them and i got uh the h katie we also resubmitted their proposal so so i i ready to discuss the resubmitted proposal with 80 because okay they're the only person that responded and i accept that and so to move forward we got to discuss something with them what they offer in us well that's what i mean

2:37:36 we came in this has been going on for quite some time i think from back in may they we contacted because you know we had some we had sent out the rfp for the equipment and generators and we pulled it back because we said that we jumped the gun because the responses were not the way um what we expected it to be so i everyone knows of this person who is um hkt principal and i reached out and i start asking questions because we needed to have a load factor we didn't know what a little factor was the person who maintained the generator which is not our generator it belongs to waiko didn't know what a load factor was we asked waiko i mean uh WAPA to assist us with that information. We got some information from them.

2:38:26 Subsequently to that, we also asked WAPA to be our owner's rep, the same thing that we are seeking right now. They claim that they didn't have the individuals on board to do that type of work. They didn't have it. So we reached out to former members who were employees of WAPA. this person has a company and he came and he gave a a presentation to us in the ravenside mall oversight committee we also invited him we came to the board we told the board about it for the investment i'm not too sure we invited him to the investment committee to give a presentation and that's how it evolved so he's a local business business right yes it's local i mean you know i don't want to put people's name um no no i know what i know what trustee dosi is quivering about that's a personal issue yeah wait not a business decision no no wait wait wait wait we making that that is that is not a true statement i'd like to correct the record i do not have a personal issue i'm a trustee representing the plan and i'll put this out there too i need to know if our board council as well as the councils the two legal councils of the system have done their due diligence on the proposed company as well i'd like to know that too okay before you get there i need i'm i i'm engaging well mr nibs is making it personal so i'm just sending it back it's not no problem with that i i talked about the thing russell the reason why i said that is because names were called and individuals what their function was was called and and stated by trustee dorsey therefore there's one principal and this project and a project manager

2:40:27 and he has created a team of four other specialists that's all it is mr that's that's not a correct statement you got to go back to the tape that was recorded that was recorded at the port authority conference room you need to go back to the tape what you just said is incorrect okay that's incorrect give me a chance okay mr nibs mr nibs okay so give me some time frames of this company i think every board member agree that we need to upgrade our property and the power generation and we we need to do it i don't think there was any problem with the need now i want mr names a time frame that we would follow if we adapt the proposal what what is the time frame that you envision well if the uh company gave us a time frame um as to um and that was submitted to the board all of that information was submitted to the board we were supposed to have done this at least the the the um engineering design and you know of the project and the strategic by october this year we were sort of completed that in the so that we could have at least part of the the plan was to at least get some type of backup generation power before we got into the development of a strategic plan with solar and all of that right okay so it is that time frame still viable since we had a delay well obviously it would would it would work it would it would delay it would the time frame would have to be changed

2:42:18 have to be pushed forward this is i'm just talking based on what is was presented to us and the dates and the uh the time frame so if this was supposed to be completed by october in a few in a couple of few weeks it'll be october next week so that means that you're looking now you're pushing it towards either december or january and does that change the cost to the grs system uh the cost you mean for the the contract yes well i'm not too sure because what we did we asked that we we said not to exceed oh okay and and so any delay on our decisions should not increase the cost that is the not to exceed as you're saying right and i don't know what projects this company has now in their portfolio i mean you know i know that the the company does business in the caribbean the person does business the company and i'm not sure what other projects he have i mean he's not going to wait around for our um for us to make a decision he you know probably have other projects so he would have to give us if he selected they would have to give us a new timeline but i would think that they not to exceed costs would remain the same okay okay okay thank you very much i i i um i would default um trustee trustee russell it's unfortunate you you're getting half a story here today that's why i asked to meet as a board you're getting half a story we got we got other things here pending that can actually take care of that situation at no additional cost or the plan however you guys want to move forward with it we can and the other trustees that were at that meeting knows that that was a question i asked

2:44:13 without getting into detail i asked that question but we were talking about infrastructure improvements at that same location so you're getting a half a story today and it's not right it's not it's not right it's not fair to you as a trustee coming on new yeah it's not fair we are asking about other interactive improvement with the other side we know that and we need to have a consultant to determine what would be needed obviously if that is going to be on our grid mr nivs you know that's happening simultaneously and we need to stop putting the cart before the horse this is how we get ourselves in problems yeah if we didn't have we didn't have all the options that's one thing we have a viable option we have a viable option from a reputable individual and we just need to let it run as cost we have um i don't know we have an item on the agenda we have um we have that uh a request from from mr nibs to authorize enter into the contract as proposed we have been we have vetted that that proposal for many hours and several different venues it's time to qualify vote i have a point of information again clarification chair chair i asked i asked a question earlier of the three councils that are online today if they have done their due diligence on this company based on what was presented to us at the port authority conference room that's all i asked because what mr niff stated is different than what was stated in the conference room well you rick could you refresh my memory what was

2:46:03 discussed in the conference room i i don't know what he's talking about okay so the company discuss i don't have a problem discussing it mr chair the company discuss their organizational structure what mr nibs is talking about today is a whole different organizational structure so i asked the councils here there's three of them up to now they haven't answered i asked again have you done your due diligence that's part of how this process works why will be why will we as trustees be voting on something and something wasn't done as part of the process that's part of the rfp process i i need to um I have not been involved in this process.

2:47:07 I have not been asked to conduct any due diligence on the entity known as HKT Energy Group. So I have not done any due diligence on that entity. well that obviously would have to come to the chair for you attorney williams but we have the administrator who has two councils i need to call for vote on this issue okay mr bauer if i may i have done what due diligence i could for the public information i did not find any information contrary to what we were told in the meeting with the company the one person is the principal the other people are part of the team and um they have other i've been able to see the projects that they have going and i as i said i didn't find anything different from what we were told may i have a motion on this item please mr chair yes sir before we move for the motion i have a question for um attorney williams um attorney williams is it normal for when geris have projects like this that you are left out of it completely attorney williams was at the meetings he was at the meetings that's correct he was at a meeting committee meeting but he said if i can respond when when you say left out of it completely mr nips is correct that i was at the meeting i haven't done any research i think the question posed by trustee dorsey's what i had while any of the councils had done any due diligence and my response was i have not been asked to do that so i haven't done it i believe attorney smith

2:49:22 indicated she did some degree of due diligence and she indicated what her um due diligence inquiry disclosed um so what you asked if i've been left out i wasn't complaining that i was being left out um i've read the proposal i've seen it um but but i haven't done anything in response to it because i hadn't been asked to do anything but but but in in your opinion in in representing the the board um what do you think about a proposal is it something that you recommend to the board i think the scope of what needs to be done is something that the system needs to do um they need somebody to provide them with technical assistance for developing an energy plan or energy approach as it relates to haven site mall i think the question is whether this is the appropriate company to do it um you've only had one response to the rfp so i i I read that, or I conclude from that, that there's not a whole lot of companies out there that are willing to provide this service. Now part of that may be how wide the inquiry was, and I don't know what the answer is to that. That's something that you could inquire into. And there's no telling that if you were to put it out for bid again, that you'll get any more inquiries.

2:50:53 Obviously time is of the essence, given the energy concerns and needs of the entire territory and particularly Haven site mall. So those I think are some of the factors that the trustees need to consider, obviously, as well as the cost. Okay. Thank you. So is there a motion for the board to deal with this request? Chair, I would say this, that I still think the board needs to have a discussion among ourselves with council i don't think i don't think i don't think we should be voting on this i think we need to have the executive session discussion on the issue okay um in that discussion mr dorsey and board members i am not too sure we have that kind of time because wapa is simply mashing up symptoms and i don't know how uh board members think about it but i cannot accept what what wapa is doing to this economy in the virgin islands is tourism i think it's atrocious and i ready to do something to help our system so i'm I would have to I have to support the measure as a move forward simply because I don't think we have to time the time.

2:52:46 We're here. We're here today. Trustee Russell, we're here today. We have executive session on the agenda, so we have the time and truth be said, These are the principles from the same agency in a different capacity, so you really expected a difference, I guess. That's what you're saying, but like I said, trustee Russell, you weren't there, so we need to discuss it in executive session. You need to discuss it in executive session. You still what else, Russell? I'm here, but... Yeah, it needs to be discussed in executive session. you don't have all the information so you're speaking from a disadvantage you were not there yeah i speaking from the fact that it went out to bid we only have one bidder and the urgency of the system is mike and son to deal with wapa and this is from my understanding and i don't have a full understanding um it is to transfer you know our reliance and wapa energy to other sources that we need to have but anyhow i default to other trustees and how they vote and i vote accordingly i'm saying trust russell you did not you were not there you need to go on to executive session so we can speak about it really what is the whole up and going to the executive session yeah well you can do that anytime yep chairman bar is here you go that soon we can do that i have a question to um Um, uh, uh, Mr. Dorsey.

2:54:40 Go ahead. Um, my question, sir, is, do you believe discussing this matter in executive session would change anything? I do. I do. would it the the chair would would the change be something that is um that would be contrary to what we're doing now yes okay all right sir so mr chairman yes i have been privy to trustee to see his comments, we have looked at this thing, we have done our own investigation, we have had the same thing before, five years, as to what we are ahead now, at least two times that I remember, and it went through without any problem, okay?

2:55:49 So I mean, I don't even know that I know one or two of the individuals. Does the board want to move this to executive session? I don't know. I mean, yeah. I'm asking the board member. Yeah. Yeah, I would agree with that simply because Trustee Dorsey might, I don't know the information and we can make the same decision in our executive session. Whatever we go make, we could make it in an executive session. And if he is interested in doing it that way, I could agree to that.

2:56:25 Well, I'm concerned about losing a forum. Oh, OK, let's make a motion to get a motion to move. I move that the discussion regarding this matter be immediately moved to executive session. Second. Trustee Caldwell? Yes.

2:56:52 Trustee Dorsey? Yes. Trustee Liger? Trustee Liger? Not voting. Not voting. Trustee McDonnell? Absent. Trustee Russell? Yes. Trustee Smith? yes chairman barry yes five yes one not voting one absent okay so do you mean that we take care of the last item first or what do it now um because we could do it now okay so do what what are we doing now we need to finish the agenda and then go into executive session okay you're right that's fine okay so the next item in the agenda is um I recommend that generalize approval of the F2022 body.

2:58:19 um and then we have the gratification of the cold vote yes sir unless you want if you want to reorder it you know i think time is obvious yeah i want to i'd like to reorder it to the ratification of call vote now and then we could move into executive session and then if we have time to come back out and deal with the other pattern any emotion for that i don't know i mean you don't necessarily need a motion you could move that if there's no objections and that's what it is if somebody object then you'll have to have a motion and a vote so you can use your chair's discretion if there's no objection i'd like to do the ratification for the poll vote and then go into executive session to give me that so ratification of the poll vote i just need um i just need a motion mr chairman of the poll vote and what what um what prompted the poll vote trustee russell what occurred the same thing like the hft um like i said on um the july 29th meeting emotions made by dorsey and second by yourself that to open up the bidding process for a minimum

3:00:18 of three proposal jfl because we had done business with them before at the haven side mall we reached out to them however subsequently the board voted to let's follow the process so we did um we submitted we did you know um solicit rr through an rfp and for my i might i mean i can be corrected i think only one person inquired the issue of the poll vote um well the issue of the poll vote is because of the timeline and they need to move forward because if we think about the plan development there are certain times line in place to get to arrive at the ground lease okay so it's i put it the same thing the pressure upon us to to to perform and to move forward with these projects that's the reason i requested a poll vote so at least we can have the contract signed you know in in by the energy the month the issue with the poll vote is that these items were on the last board agenda that meeting was cancelled for lack of a quorum that i'm assuming mr nibs requested from the chairman for a poll vote the chairman agreed and then the poll vote was sent out um is that a normal procedure used by this system mr williams attorney williams well i'm not sure how to define normal i can tell you that the poor votes have been done in the past generally poor votes are done if there's an

3:02:16 emergency or critical issue that needs to be dealt with particularly if there are time frames or monies or you know if something is in litigation and you need settlement authority those types of things or you know again the chairman could always use his or her discretion to determine whether something is critical enough that he or she feels that um we need a vote of the entire board before the next board meeting or before special meeting can be had okay this this issue this issue flows out of the the same original committee meeting that we had which which which led to because of the urgency we decided to do a special board meeting we did a special board meeting and a special board meeting and decided to go out for bid we went out we went out for bid and we so we put it on the next board meeting so we didn't get it accomplished keep in mind that the reason we call for the special board meeting is because everybody considered the urgent matter it didn't have many special board meeting so it went to the next board meeting next board meeting we lost a quorum so we couldn't we we could, or we didn't, we never established a quorum. So we didn't have it. So this is the same issue that's considered critical enough and urgent enough to call a special board meeting. It didn't happen in a special board meeting, put it to the next general board meeting, didn't happen in the next general board meeting. So that was the reason for calling the poll vote. I mean, the poll vote by definition is not a normal process. So it's not unclear to me what you mean, but it's a normal process. I mean, almost by definition, a poll vote is not normal. But we have, if the question is that poll vote has been used before, yes, we have been used before.

3:04:17 And basically when we're running out of time, when time is of issue. I only suggest that because COVID might have modified some of these positions. People couldn't meet, so they might use a poll vote. You know what I mean? and that that that that is a question only um limited to how cove it affected because i i don't like poll votes you know i believe uh people should meet what and it's an extraordinary process but i didn't know not only that we did meet yeah we met in committee yes we met in a special board meeting yeah it's not it's not like the board members wasn't one better than this thing yeah but um yeah so okay um attorney williams we we said my i'm all right with it and the only question i would have is now the real vote on the matter is coming up uh the poll vote is really a vote on the substantive issue that was before the board a while back right mr tony williams well based on the poll vote a majority of the board agreed to the issues so all you're doing is ratifying that vote okay i only three it wasn't ratified that's my issue what no no it was it was voted my understanding and either miss colia mr nips could correct me for for the items for the jll and casino control commission signage there was at least four votes in the affirmative to approve those items which is why it is now before you for ratification so those items were approved by at least four affirmative votes oh i mean i thought it was not okay but no the the the hkt proposal only got three votes so therefore that one was not approved but the other two were

3:06:41 you follow me i follow you So, Mr. Chair, we're doing a ratification and the poll vote for the two companies and then the HHT goes to our executive. Is that what we move forward? Yes. That's correct. Okay. All right, so we need a motion to ratify the poll vote. Amos Hartston, Should we do them separately or are the two together. Amos Hartston, Should zoom separately because we're going to have resolutions for them.

3:07:25 Amos Hartston, Okay. Amos Hartston, We need a motion to quantify the the poor vote with respect to me, the LL is LLP. Amos Hartston, yeah. Mr. Chair, I move that we ratify the poll vote on the JLL proposal. I so move. Second.

3:07:57 Move then, second. Is that Mr. Dorsey? Yes. All right. Move then, second. Trustee Howard? Yes. Trustee Dorsey? Yes. trustee liger trustee liger yes thank you trustee mcdonald yes okay thank you we got it trustee russell yes trustee smith yes chairman barry yes six yes one absent okay so we need one for the casino control commission signage yes sir mr chair i move that we uh voter ratified a poll vote for the casino comes casino control commission signage so move Second.

3:08:58 Second. Okay, I want to take a poll. Can I hear a second? Second. Second. Trustee Dorsey second it. Okay, so we'll call. Trustee Calwood? Yes. Trustee Dorsey? Yes. Trustee Liger? Trustee Liger? Yes. Thank you. Trustee McDonnell absent, Trustee Russell? Yes.

3:09:30 Trustee Smith? Yes. Chairman Bowers? Yes. Six yes, one absent. Okay. So at this point we will move into executive session. I move motion yeah right go ahead I go ahead trust me Russell okay I move that we we treat to executive session to consider the proposal that submitted on the agenda okay can you read what's on the agenda we need to have those reasons cited to justify the reason for going into executive session the the agenda i okay let me get the agenda i don't have the agenda at my hand right here so um so could somebody supplement the motion with the actual agenda item that we were discussing when we agreed to go into executive session i don't have it at hand i was juggling two two screens for different reasons but tony williams you can reel out the agenda items yes i will the portion of the middle close to the public for matters pertaining to a trade secret or financial or commercial information or personal legal matters or matters whose premature disclosure will frustrate the implementation of the proposed agency action yes we're discussing some personal matters and i think so is that your motion mr

3:11:29 russell well i could let uh dorsey supplement this motion please second second by smith okay dorsey you are modifying my motion in executive order this is a motion to go into executive session yes oh so you don't need anybody to modify that you okay um attorney williams what you just stated the what i stated is the reasons for going into executive session pursuant to your motion and i stated which one it was when you go into executive sessions you're going to discuss all the items that are on the agenda for executive sessions plus the item you just added which is the hkt energy proposal that's it and i i we only got into executive session to discuss that i don't need to discuss any other matters in the executive session no we have we have an executive session agenda we have other items in executive session on the agenda okay well maybe this is we just we'll just be adding one to to yes well then uh attorney williams it's only to merge that item with the executive session items that we already have i understand all i was saying is that mr chair mr chair mr chair i would like to make a motion to go into executive session um in regards to uh what attorney william just read uh to to hear legal uh matters and personal matters that that mr chairman this is i don't think this is what um attorney williams is saying attorney williams is trying to say we need to give a legal reason

3:13:39 why we go into executive session and it is written there it says this portion of the meeting will be closed to the public for matters pertaining to trade secrets or financial or commercial information of personal or legal matters or matters whose premature discussion will will frustrate the implementation of the proposed action is that what you were looking for at any point well i thought i said it anyway i gotta leave one o'clock that is i mean we're taking 10 and 15 minutes on this issue does this really make any sense at all but the only problem is whenever we are going in to executive session we must read that part that language correct yes how many times we have second on it don't need a second on that you you need a second to go into executives that's what i did that's what we did mr liger made emotions smith i gotta i gotta believe please miss smith don't read i i really can't um i am i about this now i mean the the standard language and it's written on the agenda that we have to use to go into executive session what we're trying to accomplish is just to move into executive session we're not going to talk about what we're going to talk about or get this this is a this is This is a motion to go into executive session and there's some required language that we need to use to stay in compliance with the law for going to executive session and it's written idea so um i think i think um trusty russell made a motion to go into executive session

3:15:51 and i think the he has given at least one of the reasons one of the listed reasons he has given so i i'm not sure what what what the argument is about at this point the language the language gives several several i think mr chairman i believe in the past the way the way it was done in the past when the when the chairman made the motion to go into executive session he reads this part and then ask for a motion okay so i asked for a motion to enter into executive session because the items to be discussed would be close to the public because they might involve trade secrets and our financial commercial information or personal or legal matters or matters whose premature disclosure will frustrate the implementation of the proposed agency action correct that's correct and and mr russell um says so moved so yes so right and do i have a second i said seconded initially okay all right no problem the whole call Trustee Collwood? Yes. Trustee Dorsey? Yes. Trustee Liger? Yes. Trustee McDonnell absent. Trustee Russell? Yes. Trustee Schmitt?

3:17:41 trustee smith absent chairman sorry yes five years two absent okay so we're we're officially in executive session um which means that we need to disconnect all those who are not privy to exact executive session discussions mr bowery it depends on what item that's being discussed whether or not some of us will stay i was talking about the yeah yeah but i need to know to contact the person who's going to be that's listed on item number one so we're going going to do number one first is the hsc contract first thing i want to do is hkth contract okay all right yeah keep him online okay all right can we have a little five or three minute break let me um clean up those who you belong in here and come up with your life okay so we'll give give him an opportunity to disconnect those who are not privy to executive

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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.

11x **Trustee Andre Dorsey**
heard in this transcript as: Dorsey

10x **Trustee Vincent Liger**
heard in this transcript as: Liger

7x **Trustee Ronald Russell**
heard in this transcript as: Russell

5x **Trustee Leona E. Smith**
heard in this transcript as: Smith

2x **Senator Dwayne DeGraff**
heard in this transcript as: Dwayne Regraff

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.

Bill 34-0099	Act 8517 · November 18, 2021 · An Act amending title 3 Virgin Islands Code, chapter 25, sections 530 (g) and chapter 27, section 705(c), changing the mandatory retirement age of police officers, firefighters, and correction officers from 55 to 65
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