Government Employees' Retirement System Monthly Board Meeting

GERS Retirement System (Board of Trustees)

February 28, 2018 · 1.3 hours · gov

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0:00:00 Deal from January 2018, so roll call please. Trustee Calwood. Present. Trustee Cohen. Present. Trustee Liger. Present. Trustee Maynard. shout out trustee maynard present trustee mcdonald trustee smith absent chairman calendar president chair five present two absent all right we have a call room comments and suggestions from retirees please. Yes sir. I have some. I have some. You have a comment. You have to state your name first. What is it? Dwayne Caldwell. Dwayne Caldwell. Yes. Good morning. Good morning. I'm the one present. My name is Dwayne Caldwell. I'm reporting to the first I served this territory as a law enforcement that I have suffered 20 years, ascended the ranks from Deputy Marshal 1 to Chief Marshal of the U.S. Virgin Islands Superior Court.

0:01:43 Along the way, in 2003, I graduated from UBI with the VA in accounting. I then resigned from the Superior Court so that I could attend the Ohio State University by attending a mile south of accounting in 2004. And then I returned and resumed my employment as a Deputy Marshal to attend the Superior Court until I retired on February 28, 2018. Upon my return to the Superior Court, I agreed to have additional funds withheld and paid into GRS to GRS to buy back the time that I had accumulated prior to my resignation.

0:02:19 Once I had repaid the amount due, I allowed the additional payments to GRS to continue because I had heard complex stories about people who, upon the retirement from the government of Virginia and others, were informed that they owed GRS thousands of dollars in employee contributions. Furthermore, these monies owed would have to be paid to GRS before they could receive a dime of the pension. Additionally, I knew that contributions to GRS weren't withheld from my pay during the few months that I worked at the legislature in 1995 and for the first months of my employment at the Supreme Court thereafter. So it only made sense to me to pay the extra monies due to GRS so that upon my retirement I wouldn't go to suspend. Months before my retirement, I had an analysis done to confirm that I was eligible for a pension.

0:03:09 At that time, I was advised that I had excess contributions of a little less than $8,000 estimated. I asked how I could go about getting excess employee contributions if I knew to be, and I was told that GERS doesn't refund excess employee contributions when the employee is close to retirement. I then asked why would it matter how much time I have before I retire? If the money is mine and owed to me, will I have 10 days or 10 years left on the job shouldn't matter? Once again, the response was, we don't refund excess employee contributions to close to retirement. Still not satisfied with the response, still not able to find logic or reason for GRS to take that position, I registered it. I visited GRS and only me to once again inquire about getting my excess employee contributions refund since at that time I was then two months into my retirement I was told that I cannot get my excess employee contributions refunded to me until I'm put on a payroll because quote-unquote process all of that at the same time needless to say this response infuriated me I left GRS that day with confirmation that my refund was in essence being held hostage I visited GRS again in August. During that visit I confirmed that GRS was in possession of my NOPA and that the employee and employer contributions had been received from the central government. Yet with regards to my refund it was still you can't get those because process all at the same time. Nonetheless the lady that assisted me on that visit checked the computer and told me that everything looks set for you to go on payroll on September 30th. Before I tell you that let me go and get the file to verify that what's in the file matches what's in the computer system.

0:05:05 I waited on a cubicle for about 10 minutes while she located the file. She came up with the file and said that she had to speak to another lady to make sure that it had gone to build. So I inquired billing and so on. She said to make sure that the GRS had billed for whatever was owed on my behalf. She left, she went and spoke to another lady. Both her and the lady came back. And the other lady said, Mr. Howard, everything got slowed. We shall be putting on the payroll September 30th. September 30th came and went. I didn't receive anything from GRS. After checking my mailbox on October 2nd and not finding anything from GRS, I sent an email to Administrator Mills seeking the refund of my excess employee contribution.

0:05:52 I was advised that the administrator's office, correct, I visited the administrator's office the following day, which was October 3rd, to request an appointment to see the administrator. I spoke to the secretary, Ms. Forbes, and she explained to me, she acquired what the appointment was in the reference to. She said that when she goes to speak to the administrator, he's going to ask her what it's in reference to. I explained my situation, she took some notes and she took my contact information. On that particular day, there was a meeting on St. Croix and the administrator was at the meeting. She, in fact, had the meeting playing on her computer while I was speaking to her. Anyway, I called her the following week. So, I asked if she had spoke to the administrator.

0:06:41 She said she spoke to him and she was willing for him to give up to her. I followed up with an email a few days later for a status update. She said that she still hadn't gotten any feedback from him and he was out of the territory, but she followed up with him by email. A few days after that, I followed up with a second email requiring an update and she never responded. So today I stand here before one and eight months into my retirement, more than three months after I verified that my NOPA and the contributions had been received from the central government, still trying to have my excess employee contributions refunded to me.

0:07:22 I want to share with you some of the follow-up from GRS holding hostage my refund of excess employee contributions. The folks on the hall at Group Health Insurance require that I pay dollars monthly to maintain my family health insurance package. I couldn't keep up with the payments so during an open enrollment period which ended in September I had to switch my plan from a family plan to a single plan but before I could execute that switch I had to have my children put on their mother's health insurance plan. One of my children, my eldest son, would have been left uninsured because his mother doesn't have health insurance so I was forced to go to the superior court and file documents or have a friend appointed his legal guardian so that he could put on their insurance contract and their insurance plan um i'm still in serious arrears with local health insurance so i'm likely to be removed from their insurance wall at any given time so at south of the wound the newly appointed legal guardian of my son just found that their employer will likely be closing their doors in a couple of months so my student athletic son will will not likely be left without health insurance coverage until next year when there's open enrollment at local health insurance please keep in mind that all of this has and is taking place where grs is holding my refund of excess employee contributions because of your policy that we process our letter at the same time my credit score has taken a severe beating as i have been forced to go on to my savings and max out just about every available source of credit i am I am delinquent or in a divorce status with many of my creditors because of GRS refusal to refund my excess employee contributions.

0:09:05 In speaking with GRS employees, some of them defended the policy with statements such as, you know, when we put on the payroll, then we get a big paycheck. You know, I don't find a single ounce of solace in that because life goes on in interim. I have children to feed, I have to keep a roof over the head, and I have other living expenses. All the final numbers with regards to my employee contributions are in. There aren't any more Whittle employee contributions out there to be received by GRS, yet still there's a delay in me receiving my refund. Your all-at-once policy means that I will get my refund when I'm put on the payroll.

0:09:43 However, I won't be put on the payroll until all of my employer contributions have been received. Therefore, I won't receive my refund until court and the legislature remits $23,000 in employer contributions that GRS has told me is what I might be having. Are there any board members present whose position is that there's nothing wrong with GRS keeping my excess employee contributions pending the completion of a separate transaction, which I'm not a party to? I have met my obligations to GRS and then so.

0:10:15 Is it somehow irresponsible or unreasonable for me to warn and expect me to have my excess employee contributions given back to me while outside of my pension equation is being worked out? In instances where there are balances due in both employee and employer contributions, is it GRS policy to not accept payment from employees until the employer contributions are received because it passes out at the same time or are the employees allowed to make payments ahead of the employer. And shouldn't it be the same when the system owes the employee a refund of excess contributions?

0:10:52 By the way, it wasn't until November 7, 2018, that letters to the legislature and the court seeking to combine total 3,000 hours in employee contributions were prepared by GRS. So I equate this experience to going to a doctor within Signals Network to have a procedure done. And as for contractual agreement, the procedure costs $500, $450 of which Signal will pay and $50 remaining that I'm responsible for. I have the procedure done and I pay the doctor with a $100 bill only to be told that I'll receive my $50 change via check at a later date once the doctor receives his $450 payment for SIX.

0:11:33 None of us would find this doctor's policy acceptable, neither should we find it acceptable here at TDRS. A couple of suggestions. One, I think the practice of withholding refunds of excess employee contribution until a retiree is placed on GRS payroll needs to be held in a year. Although the policy may be most convenient to GRS, I don't believe that GRS should have processes in place that creates unnecessary hardship upon the retirees, especially when having a retiree friendly policy doesn't expose the system to any additional risk to upon receipt of an employee's NOPA and contributions from the central government I think an immediate determination should be made as to the status of the employee contribution so that you would a notify the employee that he or she has a balance due or b if there is an overpayment that a refund of the VA to the employee in 30 days. And three, have GRS IT division set up email accounts for all the board members and GRS domain and have those email addresses posted on the website so that when members have issues with, it could be a compliment, a complaint with the system over all the administrators, there's some mechanism in place where you could contact the board members directly. Finally, unable to get an appointment to meet with an initiator, I'm asking this board directly to please, please, please, please, intervene on my behalf, have my excess employee contributions be funded to me so that I could begin to recover from this current hardship that I've faced. Thank you for your time and the power to a favorable response as I am rapidly running out of options.

0:13:27 I'm not familiar with this case. I think I did see one time there was a notice on my desk. The name sounds familiar. And I usually return a call. And if I don't get it, if it continues to ring or something like that, that's it. Now, I'm sorry that what I'm hearing, but the same letter that you wrote, you could have come in and gave me a letter.

0:14:01 And we could have resolved that situation immediately. But this is the first time I'm hearing your case. Ms. Sasa was not, she can speak for us. She was not familiar with the excess contributions. We know that we have ADEC that has been built to courts. and that's the reason why we usually unless the case is finalized we usually don't refund anyone because there could be issues before we we do the final annuity payment but i am not familiar with your case and i'm sorry that you didn't get to me but since august you've been trying and you couldn't get to me since without respect i sent you an email me personally well today the email address that was on on the website for you i sent an email to you on october second uh-huh uh and i came in and i spoke to me and i didn't respond to you i didn't i came into the office on october third there was a board meeting on sinkhole the secretary and and she said you were offering another board meeting and while i was speaking to her she actually had it on her she was actually doing a live stream all right so you want sinkhole that may have been like a okay so she said when you come on she would speak to you mm-hmm I waited until I think the following Monday to follow up she said she spoke to you and she'll wait for you to get back to her two or three days later I sent an email she said that she was still waiting to get back from you and that you were out of the territory or she would reach out to you by email if you send me an email a lot of times email go to junk mail and I'm looking at my junk mail and it's thousands of emails that goes to just and and i came on i well and i i could say it again i actually came down the first thing i said well i actually wanted to apologize for the email because at the time that i wrote it i really really was like irate and you know when i reread

0:15:52 it i was like well you know like the tone was you know like a little aggressive so i came in and i i beg i said please please please apologize i actually wanted to apologize to you face to face I try not to deal with things when, you know, in an emotional state, kind of injury, for offer the issue, and then start to get an answer. Yeah, because a lot of times, Mr. Conwood, I usually refer you to the director because I'm not familiar with the case, so you can come and sit and talk with me, but still, I'm going to have to go to the director. And she's saying that you never contacted her. But anyway, if I had known about the case, we have made exceptions before, for this type of situation uh because you're along the way we know exactly what i guess his workup is as his of his annuity we're just waiting for the adec so not an employer portion so we could have made an exception but what i'm saying is that i'm i'm the first time i'm hearing the contents of the meat of the case i mean i don't know i know the name because i have seen a note that I need to call you, and I think I did return a call.

0:16:59 But I know I've seen it on my desk. I don't know your policy is not a personal attack. No, no, no. I'm just saying, you know, these are the things that I talk on. Right. That's why I'm here. But I'm saying, if I had known about that case, we could have made an exception there. So what can we do now? We need to deal with Ms. Sasso. Let Ms. Fatty. Let's deal with Ms. Sasso. Ms. Sasso, do you have anything to say? I don't have anything to say except that I'm there all the time and he just never contacted me.

0:17:31 He went up straight to you, so I don't know anything about it. But if he wishes to meet with me, we can discuss it and see what we can work out. But I was not... That's not a problem. Okay, fine. But I'm sorry you went through all of that situation. Being a law enforcement officer is in no stress. And I know that the financial situation today, but an exception could have been made. I'm referring you to Ms. Sasso. she'll take care of it that's fine thank you okay from the board we're really sorry also and your um your suggestions are well taken yeah i really maybe you should give me a copy of your letter oh okay thank you thank you sir She's just sitting here. Okay. Okay.

0:18:25 Is there any retiring in St. Croft? Yes. We do have somebody. Yes. Okay. I'll turn my phone off. Excuse me a second. I'm a retiree, I think I've been retired about nine years or so now, and my concern is what's happening with the GRS. As you have indicated, the GRS that in about by February 2023, we will all be in trouble. There wouldn't be a GRS. And so we need to act quickly to make absolutely sure that something is being done to address that position. I think the governor put forward a plan where he had indicated something to the extent that it would take about 10 years and 30 million dollars a year that sounds too loud to me and as far as I know the Albert Bryan folks they put forward a plan for a hybrid defined benefit defined contribution plan and I have not heard anything from the retirees or anybody else for that matter or even the GRS board as to what we need to do. I put a little ad in the newspaper the other day and it basically says very briefly GRS plan sponsor, senators, government workers, GRS board and retirees, it's time to fix the GRS. Fix the system by giving active government workers control over the way how bi-weekly deductions from their salaries is being spent. We know that the money goes all over the place and not to the right places, which is the GRS board to do their business. Initiating a mixture of realistic, defined benefit and defined contribution plans. Developing a system that makes certain that retirees continue to receive their annuities. And I know that some of you on the board are going to retire at some time, and I want you to get your money too. And we certainly want, you're not going to get it if we don't have people paying in. and also building an economy that provides funds to help keep the GRS alive and well.

0:21:11 And in speaking to a couple of individuals, I'm still hearing that there are a number of people who have not met that 10-year plan who are leaving the system. Do you know why they're leaving? They don't have trust and comfort in it that it's going to work. The only reason that we are around as human beings is to solve problems, not to kick the plan down the road all the time for some political or other reason only to come back to find out that we don't have a system we can't afford that so my plan and my plea is to urge the board and whomever else is making those decisions to come up with a realistic plan that's going to keep the system alive and alive for a long time the active workers please don't charge them any more money. That's just not fair. They're being charged. Right now, I think they're paying some amount, and I know the governor had come up with some sort of plan where he was going to increase the amount that goes to the GRS. Well, he hasn't even been keeping up with the GRS of what they're supposed to get. I think you might have got some big funds the other day, and some of that clearly has to do with the storms. One good thing about the two storms is that they did get some action going in certain areas but the time is not now for us to be what I call messing around. We got to get serious and we got to fix this GERS system. Okay it's not perfect I don't know anything that's 100% perfect but we have enough of it going to be able to do something and do something positive. The last time I was here i did say to a couple of your the colleagues there in st thomas that you want to come in the radio program to talk about what you want to do mr nils included you'll be welcome i haven't

0:23:03 had any response at all so i don't know maybe you go to other radio stations or whatever the case but we have to we just can't go on like this and even if it's the board itself and some of the One of the things that the board have done, I think being good, Mr. Nielsen put a bit of pressure on them to the government, that is, to pay what they're supposed to pay. That's good. But we need a continuous amount of money coming in from, and we could do that through the economy and build whatever we have to build there. And we need to just keep the system going for ages and ages. I got two boys right here in the Virgin Islands, but they're not here right now, but they were born here. And I want to be able to say to them, you know, the system did work. And if you go to work in the government or whatever else in that particular case, you're going to rest assured that you will get what's yours at the end of the day. So we certainly need to look at the realistic defined benefit and defined contribution plan. and I think it's totally wrong to be taking out money from the people who are paying into the system and they don't have any legal control. Now I can come here and talk and we had to put a bit of pressure on the GRS board to be able to talk as a retiree because that's in the law.

0:24:28 But how do you have people paying in money and then they don't have any say at all? No kind of say. This is totally wrong and totally unfair, and this is just not something that we should be encouraging at all. In this U.S. Virgin Islands, we need to continue to do the right thing and to protect the system and protect the people so that we can all benefit. All this business about underhand things and so forth, we've got to give that up and do what we need to do. So I'd like to see a plan developed, and I guess the legislature's got to be part of it, that if you're paying into the system, you have some say as to what's happening. Not what's happening now, that you're paying, they're taking money out every two weeks, and after that, you just don't know what's going to happen. It's the Nip's card, oh, well, we haven't received this month, and this goes on and on and on.

0:25:23 It's disgusting, that's the long and short of it. So that's my little contribution today and I hope it's not a wasted one. I hope that you take this thing seriously and realize that as human beings, we are here to solve problems and we're here to work in the best interest of our future and those of our children and the children's children who are going to come. So if we set up things bad now, we're just setting it up bad for the future of those children who are right around us at the moment in time. It's no good. That's not what we should be doing. We should be creating a path for them to be able to benefit. And not just be telling them, do this, do that. Partner with them and try to get some things done for the benefit of all of us in Virgin Islands and the world in general. So that's my little contribution today. I don't have anything to say.

0:26:21 Thank you, sir. Thank you for your comments. Anyone wants to make any comments? Hello, Mr Chairman. I have just one question quickly. Mr Ali, when you say give the active employees control, what exactly do you mean in saying so? Well I am saying that at the moment the monies are being deducted every two weeks and there is no way that an employee, an active employee, could have any means of ensuring that it is going to the right place, which is to the IRS. The money is taken, they do all sorts of other things with it, maybe they need money and that's why they do that, but at the moment these people are being, I would say, robbed because they have no say whatsoever.

0:27:14 They can't come to this meeting and speak. The law says that they can't. That's not quite true. We have given active members in meetings opportunities to speak. Well, I'm only telling you what the law says. As far as the lies concerned, only retirees could come to these meetings and speak. And in addition to that, When you talk about the control, they're just out there. You just take the money out. And why do you think people are not leaving before the 10 years is up? They know that this is a dicey system, and they're saying, hey, I don't want to be around if I'm not going to get my money.

0:27:57 We've got to straighten things up and make it strong enough to get those people to stay and to get other people to say that they want to come into the system and be part of it. It's about money. if we don't have people paying in we're in dead trouble that's what's happening right now one painting roughly and one getting out it's no good supposed to be like five painting and one getting out that's the ideal thing might take a little time to get to that but yes we want and and in the to begin the control yeah have meetings and so forth with them like i think a few years ago mr nibs if i'm not mistaken i'm part of the group went over to ubi and they had a meeting over there with the people in the community. We need to have more of those so you could really get a sense of what people are saying, and you could begin to follow through. And remember, we are all in this together. This is not just a GRS thing, or retirees thing, or who's paying in, or the politics. We are all in this together. So we need to be meeting and coming up with plans, And I really want to see a greater degree of control, get the lot changed to some extent, to make sure that retirees and the active workers have just more control over what's happening to their money. They don't have any at this time. All right, Trustee Caldwell has some comments.

0:29:23 Well, Mr. Ali, I can't speak to control of the money, basically, before I just hung them out because I'm not truly still in understanding of the direction in that conversation. But what I can speak to is the participation of the active employees. I'm a labor trustee. That means I was voted on and recommended by the labor unions to represent the active members in the St. Thomas, St. John district. When I first started, I had meetings with active employees. various branches WAPA different groups would call their meetings I'll be invited to come and speak and answer questions about GRS that's how we started it the membership there the unions of basic active employees have not been having their meetings and inviting us to come and speak we can't just walk into there and just share we can call we've called forums we've called town hall meetings they don't come when they host a meeting and they invite us we show up we respond to the questions especially the labor trustees so for that part I can't speak to the other conversation that's beyond me but we offer them that opportunity to get their voices heard at the table the law requires that retirees have an option an active voice in the meeting but the the active employees have a voice in the meeting through the labor trustees.

0:30:56 But all I would say to that is congratulations and thanks for the work that you've been doing. And I would indicate as well that, yes, the unions have not always been doing what they should do in terms of making sure that they attend to the meeting, they're there to listen to you, give you ideas, thoughts, and opinions, and so forth. But while I would say that some part of it would rest with whether the union workers or the employees in general, I still feel as though that we've got to work to give them more control. Maybe you have to give them more say on the board. That might be a way of moving forward. But at the same time, and the fact that they're not attending the meetings is not in itself a reason why we're not moving forward and doing what's to be done. Because the system, I just remind you of this, and I know you know this already, by 2023 there may not be any system. So we need some drastic action right at this moment in time to ensure that we have a system, it goes forward and that we are building on it working on it getting the economy moving so that the system can thrive for all of us and I do believe mr. call it me if I'm wrong you you still work for the government mr. presently I work for the teachers educator professional support staff members of the st. Thomas and John just a representative yeah well all right the reason I asking that basically is that there may well be some people on the board who are still still working and as such they're there they've they got to try to work on their own retirement too this this is no joke this is a very very serious business yes I don't think we are addressing the

0:33:00 main cause of the problem. I'm hearing Mr. Ali talk about going to a DC plan. Well, Mr. Ali, a DC plan means that the active employees' contributions will no longer come into this fund. Presently, we are receiving at least ten million dollars monthly in contributions combined. In the average, we are paying out over $20 million. Our assets are dwindling. So if you convert to a DC plan, it's going to pay for your retirement payment. That means there's going to be less contributions coming in to us. What about a combination of both of them? Well, I mean, we have looked at all of this, you know, we have looked at other systems, pension systems, and those that converted to DC now come back into the DB plan. Because a lot of, if you go down in Florida especially, usually a DB plan is geared towards more service type, like policemen, fire, nurses, those type of industries. Correct? And those that went, when some of these counties eliminated their DB plan to a DC plan, the policemen went to the other county to the DB plan. They're looking for long term, a long term pension. A DC plan is very risky, number one, because you're going to be managing your own assets or your own contributions are going into mutual funds or whatever, stocks and bonds. So whenever the market tumbles, you're going to tumble with the market. You're not going to have GRS to to shore up your your pension or your plan so i'm hearing what you're saying a lot of lawmakers have spoke to us about it we have done our research and on the back of that our active members are dwindling because they're hearing that in 2023 the system is going to go you know is going to crash or run out of funds so who's gonna fill that gap so we now getting less contributions in right now because our asset our active members went from 9,200 maybe they're down to 8600 or something like that now I haven't looked at it in a

0:35:28 long time and they're more gonna be going so I mean yes they may refill positions but a lot of lot of people are not attracted to a dc plan they're looking for db plan i don't have any problem with a dc plan and i know most of the millennials love a dc plan they love to want to manage their own funds but there are a lot of drawbacks in a dc plan let's have a combination of both at least so that we could see well yeah we're going to be good to see because the the other alternative if we're not doing anything like we're just wondering about it we're still headed towards 2023 so i think one of the if you're going to build confidence in your the people who are paying in the active workers i like them because without them i'm not going to get anything if you're going to build confidence in them for them to want for people to want to be part of the system and so forth you have to come up with something that says to them well look you do have this degree of control they don't have full control but a degree of control that's going to make them understand that yes you're very much part of it but at the moment with the where things are they don't have any any control and maybe another thing that you might want to consider the GRS board is a very serious marketing plan at the moment that really speaks to all of the issues in relation to how we're going to move forward and something to demonstrate to the people out there, look, you could trust the GRS, you could trust the GRS plan, the GRS plan that it stands, you're part of it, the GRS plan that it stands is for the future and so things of that particular nature that we need to look at. The time for just, you know, reviewing all the plans and I know sometimes people sit back and we, it's like having cancer. I went to a meeting the other day where these ladies were talking about cancer and you know one thing they were saying? I knew I had a problem, but I didn't want to face it. So I waited and waited and waited until it got worse.

0:37:42 This is the sort of cancer that we're faced with. Mr. Ali, GRS position is well known, it's well documented, I've been here 11 years and I know that, it's well documented, you can go to the website, you can find anything, we have had town hall meetings galore, we had one in St. Louis, last year we had two in St. Thomas and St. Croix, I mean we had a forum, I think you attended the forum in in Carambola. What more can we do other than the plan sponsor has to step up to the plate and fund the system correctly, taking away contributions. We won't need all the contributions we need for you to get 100% of your pension. And I'm going to state here on the record, if nothing is done by 2023, you will not receive 100%. Well, I understand that. And that's, I'm not looking forward to that. I wouldn't be alone.

0:38:40 there would be many other people who would be in that position but that is not we have we have to do more i don't tell much okay mr ali we thank you we thank you for your comments your contributions and uh we need to but we need to move on with this exhaustive issue again we really thank you Thank you. Okay. Let's go on trustees. All right. Recognize Ms. Smith. Yeah. I'm gonna recognize Trustee Smith. Morning. Morning.

0:39:22 Thank you. Okay. So we need secretary minutes, regular meeting of 10-25-2018, a special meeting. All right, 11-2-2018. All right, so I'm standing. I need a motion for approval and any correction deletion additions. Mr. Chair, I have a motion to approve the minutes.

0:39:54 I'll second that. Trustee Colwood? Yes. Trustee Cohen? Yes. Yes. Trustee Liger? Yes. Trustee Maynard? Not voting. Trustee McDonnell? Yes. Trustee Smith? Yes. Chairman Callender? Yes. Chair Five? Yes. One not voting. One absent. Thank you. And these have been approved.

0:40:28 communication and correspondences one communication is dated November 13 2018 addressed to mr. Julio A. Rymer Sr. and mr. Waldemar O'Collins it's in regards to billings for prior period missing employer contributions and ADEC class three retirees November 30th 2018 retiree payroll gentleman is closes our billing request for release of funds in the amount of hundred and fifteen thousand four hundred and fifteen dollars and eighty three cents prior period missing contributions and ADEC for the November 30 2018 retirement payroll the GRS cannot place the retirees receiving the initial annuity payments on the November 30th payroll until the hundred and fifteen $15,215.83 is received. The GRS must receive this among by the end of the business day on November 23rd, 2018 for the new retirees on the schedule to be placed on the payroll. The law mandates that all contributions must be paid prior to a retiree receiving the initial annuity benefits. As discussed previously, it would be more efficient to bill and receive advances on a quarterly basis. However, we are in the process of completing our review of the estimated billings for the second quarter through March 31, 2019, which we will submit prior to the end of December 2018. For any questions or clarifications you may have, please contact Ms. Suzanne Shoran, DC Sasso, Director Member Services at 340-776-7703 extension 4910 or sdcsasso at usvigrs.com or Ms. Patricia Williams, Assistant Director, Member Services at 340-776-7703, extension 4603, or pWilliams at usvigrs.com,

0:42:29 Sincerely Austin L. Naves, Administrator, CEO. Copies to Clarina Modest-Elliot, Executive Assistant, Commissioner DOF, Kathy M. Smith, Esquire General Counsel, Ishmael Myers, Jr., Esquire Deputy General Counsel, Sharon D.C. Sassol, Director, Member Services, Patricia a williams assistant director member services dennis jeremiah cpx acting cfo monique richardson blake manager payroll that ends correspondence i must add that this amount was just released i saw an email the director when we just released that amount to us Hold on, $115,215.83.

0:43:34 Okay, Chairperson, I just have one comment. Make your way to bill number 32-0193. honoring Judge Eileen R. Peterson by naming the Casino Commission Billing in Harlem. The honor was passed by the 32nd Legislature in spite of the fact that the letter was sent to the chair of the Rules of the Judiciary Committee indicating that the billing was not owned by the government of the Virgin Islands. I think I need to meet with council or the board to inquire directors as to our next move, if we have anything about it.

0:44:21 We should just let it stay. Let it slide. Excuse me? Let it stay? Is that a central bill? It's not a central bill. Well, they default to a downer end. Well, are we going to allow the sign to be erected on the building? No. Well, I think the lease has stipulations about those type of things, right?

0:44:54 Signs, DPNR. It's in regards to any type of signage on any type of rentals that we own. Let's say the casino commission building, isn't there something in the lease that... Yes, all leases have languages stipulating the approval process needed for installation or changes in signs. Okay, so they don't have to come to the owner to ask for permission.

0:45:24 So we'll deal with that at that time, I think. Okay, don't be surprised if you find, go to pass by one and see a sign. But then they'll be in, they'll be in non-compliance with these. Let me just say, I have not seen the bill, but I don't know if the casino commission themselves are the ones who are going to change the sign. I know the bill was passed to rename the building, but is the Casino Commission going to be initiating that? I don't know. I'm not sure that they're the ones who recommended the change of name. I think Pedro and I need to look at the bill now that it's passed and see the effects of it and make a recommendation to the board as to how to proceed.

0:46:14 There are some things I may want to say, but certainly not in open session. Okay. All right. Thank you. Administrator's report. Good morning again. As you can see, our time span between meetings have shortened a bit, so there's not much to record per se. On November 7th, I attended a pre-retirement workshop as a presenter and also as a participant.

0:47:00 On November 14th, I attended the CNWLLC board meeting. And I would recommend that anyone who is contemplating retirement attend that pre-retirement workshop. It's very interesting. think you know there's a lot of little little things that you really don't know it was very interesting very it was good to discuss with the other individuals who attended the you know the workshop but it was very enlightening and very well I must congratulate the the communication and member services staff we did a very good job our systems are operating there's no really no major function with our system we have installed a new sand and a v3 going to our pre prod environment this will be offline until the 19th however it would not interrupt the the production part of the environment our new desktops are being installed as you know the last meeting we had we discussed that and the old equipment we would either sell them to the employees or can be available for donations to nonprofits and the schools if they need so we are also completing some final assessment pre-assessment training it was done yesterday I mean Tuesday and Wednesday and with the Microsoft Office all our employees are being trained in Microsoft Office Suite. The government is up to date with pay date

0:48:53 November 8th. All autonomous agencies except WAPA is behind some. WAPA is behind at least three pay dates. The last posting of contributions for the central government is created September 27 there is a problem with the October file according to the reconciliation and control it applies employees are missing from the file Department of Finance has been advised and is working on the problem to correct the problem and that is one of the reasons why postings are not up-to-date if those files were okay we would have been posted through probably October the missing contribution is still significant amount total is about thirty five point seven the central government approximately thirty one point three million we are billing the central government and autonomous agencies only nineteen million dollars was appropriated has not been we are billing through December as I indicated in my letter hopefully we can get quarterly billings going forward so that we won't have to be sending out billings every pay period every 15 days there's no movement on the acts of the 261 there's no movement on acts 7128 as far as refunds from January to October 30th we have paid out six point two million dollars in refunds just discussed this with mr. Ali on the regular reference of the eight five cases we see from January six hundred and two were individuals who had not been vested and we have paid out 242 non-vested members so far for the

0:50:53 past 10 months to a tune of five point six million dollars we are doing pretty well with getting retirees paid things are improving we still have a lot of issues with getting no purse from the central government as far as what I was told is that there's a lot of backlog in Department of Finance as of 11 14 2018 we have retirement NOPA's 74 retirement NOPA's we have not received so we are working diligently to get those NOPA's that's the majority and the main reasons why you cannot get people retired more quickly on page six you can see in 2016 in 20 well let's say from 2015 we have paid out 291 of 295 applications that were processed for remaining 2016 we have paid out 266 of 276 10 remaining and so far for 2017 we have paid 215 of 246 31 remaining and as of calendar year 2018 of the 288 we have paid out 94 and we have 194 remaining the number of retirees as of October 15 well as of the November 15 I'm sorry that should be november 15 payroll is 8 574. total annuity is paid out from october 1 2018

0:52:45 to november 15 is 31 million twenty thousand four hundred sixty two dollars and sixty six cents that includes at least two street pensioners two or one or two pension cells left retirees added to the payroll for the month and a half is 87 retirees added to the payroll for november 15 is 20. Retirees expected to be placed on the November 30th payroll is 12. And retirees deleted from the payroll from October 1 through November 15, 29. Those individuals were deceased. And the greatest payroll for November 15, gross payroll is $10,353,701.49. Page 8, as can see our loan portfolio is decreasing and as you know by 2023 we will no longer have personal loans all those personal loans would have expired we probably only have we will have only the mortgages um so between in the last 15 16 days as you can see there was a a decrease from 6012 to 5,953 units. The White House is still pending a report from this to separate the meter from Moico to Orofa Rental producing projects. This was a recommendation from Attorney Meyers that we separate. In St. Croix, J. Benton has advised they will be wrapping up uh to take care of the emergency works over the net month freeing up some resources to work on the projects including the fence as you can as you know the fence and at the sink away building is down has been done due to the hurricane so we hope to get a firm date from them uh shortly casino buildings repair still awaits the contractor village the contractors availability the commission has been making every effort to become more current in the

0:54:51 rental payments they are current right now they're currently behind one quarter payments i'm going to be advising the ceo to send him a notice to quit uh sin thomas office uh we are still um having issues the contractor hopefully he'll be free up soon we'll be issuing a notice to proceed to complete the immediate storm repairs thank god we didn't have another hurricane passed so far we have been in a lot of problems the exterior skin projects remain on hold further availability by the contractor there's going to be a tentative meeting of our ac system the new issue system upgrade on november 30th the ceo will be meeting with with Geridion to do that. Last week, Monday, we had to close the office because the AC hadn't got malfunctioned, and only eight of their compressors, they had eight compressors that should have been working and only three were, so my office was 80 degrees, so we had to send the employees home half day for that.

0:56:07 So we're working to try to get the new upgrades air conditioner system as soon as possible the ceo is collaborating um with uh rest care job course to extend the current lease that will expire in november 30 2018 they have indicated that they may want to exercise the temporary sublease arrangement with another rest care entity we await further word on that our new tenant vi housing finance authority is settling as a tenant in regards to collections for October we collected 178 thousand three hundred and twenty two dollars and sixteen cents electrical collection was one hundred and eighty four thousand three hundred fifty two dollars and two cents. Rental collections for October $278,322.16. Electrical collection $184,352.02. Rental arrearages $58,841.94. Electrical arrearages $49,095.68. As you can see Department of Justice paid up on their arranges except the electrical and we do have some arranges with Pleasant and also we have casino one quarter behind that completes my report thank you sir any questions okay committee reports

0:57:58 Oh, what silence. Nobody has anything to say. Policy committee. Policy committee. Policy committee. So we're still waiting to finalize. I had to apologize to Mr. Attorney Williams. I missed our meeting to finalize our discussion on employee handbook. We should finish that this week and get that to you. it prior to the holiday and then just feedback on the policy the other man to the final the deadline was November 8th I haven't had any responses from any of the other board members are strictly now the attorneys I'm waiting for any one another the deadline. I'm sure they did. I'll take a date. I'd just like to press on the personnel, Anya. It's very critical to us because there's some new changes in there that needs to be In fact, we may not be able to enforce it.

0:59:44 Some of the new areas that are of concern to us. 23rd. 23rd? Oh, it's up to the board members to submit their responses. Can you all review and submit all responses by the 23rd, this month? I have a question. Is this related to the governance policy or is this the handbook? The employee handbook. No, governance policy.

1:00:30 It's incorporated into the policy. so the one that you needed was the board the government's policy is the board's policy that's not the one that mr nibs has is referred to he's referring to the employee one because they need to play him they need to implement some things or they want to implement some things in that our governance policy is us it was just her feedback on that was what we looked at but all the decisions for our governance policy is done within just with us what we need to get back to them is the employee I just have a recommendation be good if you send us the questions that you comment so that we can get it because this went that many oh yeah I've got because this went through a taro bedding over the last year and also there's an LMC which is a labor management committee which meant which is made up of employees and and management that went through that the fine could come so if you have any concerns if you can maybe communicate that to us we can answer that and then we are put you off and along a little faster haven't gotten any comments yet to pass on besides one of the attorney and I have one of this class I haven't gotten anything else yet okay so can we send a deadline for the trustees to respond to that this is for the handbook yeah

1:02:18 question this is sorry go ahead go ahead let's go in um were we sent the handbook or do we need to to go online to get a copy of what's going on yes you should have had it I sent it to you well the first time you say you didn't get it I sent it and then we discussed it like last month and sent it again okay I'm gonna ask this totally to give you a hard copy if you need it all right thank you do you want hot copy yes um miss miss carwood i don't think i've seen one of these okay so we'll mention it you get it also okay by the 20th by the 23rd please have all your response your questions It's a lot to read in.

1:03:29 It's not really, it's only a hundred and twenty-seven pages. Okay, so the twenty... It's old me! So by the 23rd, the 23rd happens to be a Friday, a day after Thanksgiving, so you can spend that day after Thanksgiving doing all your reading. What else do you need from us? What about the governor's name? We did that already. You don't need any more comments on that. it's just just tightening up the language and printing it okay okay I got comments on that come on any other committee reports I asked to a request sent to the budget and audit committee asking the members to select the three best dates for them so we can review the the budget and I don't think we've receive any responses as yet. So I need some dates so that we can get together. You can do it in person or we can do it by VTC, we can do it by telephone, initially and if you need to we can sit together. This also needs to be done and I would I would like to have the budget completed by November 30th.

1:05:47 So, budget committee members, hope to hear from you soon. Any other committee reports? There's no report from the investment committee, but I would like to inquire of Mr. Nibbs of progress. I'm not asking for a response now in open session, but I'd like to inquire about the progress made in certain areas. Like you did have a meeting schedule?

1:06:27 I know what he's talking about. I think you can talk to him in a minute. You did not meet on the 26th. Not meet. Last Friday night. Good night. You didn't mean to call me out of it? No, we were supposed to meet last week, Friday, wasn't it? Yeah. So we could not meet it. Okay. And we will move to the treasurer's report.

1:07:18 Good morning, board chair of the trustees. This is the schedule of receipts and disbursements for the month ending October 30th, 2018. Please take note that the amounts for the month and the year-to-date are the same, since it's the first month of the fiscal year. Receipts and collections. Loan repayment, $2,407,778. Rent from tenants slash utilities, $316,779.

1:07:55 rents from Havenside tenants $449,022, employer retirement contributions $6,339,511, employee retirement contributions $3,490,716, parking facility $630, miscellaneous $666,017 for total collections of $13,730,507, I'm sorry $720,507, disbursements, Annuity payments, $21,396,552. Administrative expenses, $1,054,433. Personal loans, $145,808. Mortgage loans, $141,529. Retiree loans, $73,699. Auto loans, $102. Refund of contributions, $1,022,593. Allotments to WICU slash management fees, $924,038 for total disbursement of $24,758,754.

1:09:35 for a net cash deficit of $11,038,248. That ends the reading of the schedule of receipts and disbursements. Thank you, ma'am. Any questions, trustees? Yeah, I got a question. I have a question. What accounts for the disparity between the rents collected in 2017 2017 and the rest collected in October 2017 and October 2018. Does the city have a drastic difference?

1:10:17 Did the storm account? Did the storm? Oh, okay. Thank you. Any other question? Anything that looks flavor, anything else that looks flavor? If Mr. Ali is looking at his copy of this, he can point out the contributions as opposed to the benefit payments yes we got in less than nine million about nine million seven nine point seven million in contributions we paid out twenty one point four okay okay trustee it's neither motion which am i moved to approve the treacherous report second trustee carlwood yes trustee cohen yes trustee liger yeah trustee maynard yes trustee mcdonnell absent trustee smith yes chairman calendar yes she has six years one absent thank you Faces report have been accepted. Investment officers report.

1:12:05 I was unable to include the usual information in the package due to the fact that this month didn't have the timing, but I'd like to give you a brief update on the investment activities for the month of October 2008. The fund was down approximately 2.5% on an absolute basis. On the domestic equity side, our biggest decliners were the Mid-Camp Fund, which was down 9.5%, and the Russell 1000 Growth Fund, which was down 8.9%, respectively. As you saw in the news, investors endure the punishing month of October that saw an equity market route, with many global equity markets experiencing price declines and a prevailing risk of sentiment overall. On the global fixed income side, Brandywine had a negative 3.5% return. They out-underperformed their benchmark by 242 basis points. The headwinds in performance for the manager included the U.S. dollar strong advance, which was fueled by the Federal Reserve Minutes suggesting a continued rate increase in the wake of strong economic data. These forces, along with trade concerns, sent most of the emerging markets lower. A snapshot of the activity for the plan for the month, we started out at approximately $685 million. That total excludes the member loans and asset complexes. We had a net cash flow of about $20 million out of the fund which is a withdrawal uh for benefit payment shortfalls and expenses we also had a a loss of um 16 million a loss in value unrealized loss in value 16 million on the portfolio so we ended about they ended the month at 648 million approximately

1:14:09 Mr. Chairman, I had asked Glenville to do a report of the local assets. Yes. I think he did submit it, and we do have a snapshot of where we are with the local assets. Government of the Virgin Islands, last payment is due in 15 and 30 days. That's the $13 million loan that we had, so hopefully that would be complete finish next month. CASI is current.

1:14:53 We have a problem with BI Finaness, they're in default, still in default. We have asked... have asked our outside counsel to file foreclosure and it has been filed. We have given him ample time to come in. I understand the principal's issue. I mean, you know, government owes him a lot of money to him to like 12 million. However, it's really, you know, it hurts your heart when have to do something like this but we have it's a business transaction and hopefully you would come around and maybe make it good still have time but we have done our legal duty to file for foreclosure which is going to be public knowledge in the court documents the commercial reports um that's where we are with the uh the local assets all the others other than the i find Okay, thank you.

1:16:12 We have no, nothing for executive session, so remove the privileges of the floor. How do you get it? How do you get it? No legal? Nothing for legal? No, nothing for legal?

1:16:40 She said no, you think about it? That's it? Get those, get those, get those for us to go back. I know, yeah. It should be the cost. It's kind of good. Get what I'm cooking. if you want you have to re-attempt to re-order is it possible mr chad to reorder general to go into executive session to update board and car order sure you're not recording that you're adding an executive session i always say put one in and then you can always say you don't have one A motion is we may? Yes. Mr. Chair, I move that we add executive session to our current agenda to address concerns related to financial matters and our trade secrets.

1:17:50 I need a second. I'll second that. Trustee Collwood? Yes. Trustee Cohen. Yes. Trustee Liger. Yeah. Trustee Maynard. Yes. Trustee McDonnell. Absent. Trustee Smith. Yes. Chairman Callender. Yes. Chair Six. Yes. One absent. This portion of the meeting will be close to the public for matters opportunity to financial or commercial matters and or trade secrets. Trustee, I need a motion to call into executive session. I move that board move into executive session.

1:18:54 Second. Trustee Calwood? Yes. Trustee Cohen? Yes. Trustee Liger? Yes. Trustee Maynard? Yes. Trustee McDonnell? Absent. Trustee Smith? Yes. Chairman Callender? Yes. two minutes. Okay, this is just one option. Why? Because she couldn't get plugged in, it plugs in and it plugs in. I think the plug in computer. I think the one. Oh, it's the computer. Okay. It's the computer. Okay. It's the computer. Okay. It's the computer. Okay. Okay. Okay. Okay. Okay, thank you. Okay. Okay. Thank you. Okay.

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.

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

5x **Trustee Vincent Liger**
heard in this transcript as: Liger

Bills and acts referred to

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

Referred to but not found in our acts corpus: Bill 32-0193