GERS' Monthly Board Zoom Meeting

GERS Retirement System (Board of Trustees)

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0:00:00 um so i'd like to call to order this uh regular meeting of the grs um like to welcome everybody i'd like to start with uh the whole call please trustee carlwood present Trustee Clendenin. Good morning, present. Trustee Dorsey.

0:00:37 Absent. Trustee Liger. Present. Trustee McDonnell. Absent. Trustee Smith. Trustee Smith. she's on the place she's on mute she is on mute but you know trustee smith absent trustee barry present present three absent Hi, Bob. Mr. Nibs, I'm present.

0:01:35 Five present, two absent. Okay, just from my roll call here, so the five present to who? Alwood, Flendenin, Liger, Smith, Bowery. Okay. Okay, so let's jump right into it. We have a fairly lengthy agenda.

0:02:11 I'd like to use the time as efficiently as possible. so um the third item on the agenda mr secretary is for comments and suggestions from retirees do you have any i think i see some okay so so we identify who we have that will be retirees for comments and suggestions um i see mary moe mary roebuck i see ronald russell um i think i saw a connection to me so i what i would recommend mr chairman is that if a retiree wants to speak they can identify themselves um that's a good idea and i don't know how much time you want to give them you may want to limit the time maybe two minutes okay that's it that's it that's a tree okay this good morning this is i see that the host unmuted me so i assume i can speak now is that correct yes ma'am yes yes uh good morning to the board i first want to commend you um for taking this step um as as some of you are aware i have one that watches the youtube and have complained about um i'm so sorry i have complained about um issues and i'm so glad that we don't have this opportunity my first question or probably my only question for today um i noticed when i watch the youtube videos that and i believe the gentleman is rocky or you're sometimes reviewing documents um and turning to page this and page that are those public documents um and are those is it going to be screen sharing so that we can see those documents that are being referred to it sometimes charts and other things being referenced that's

0:04:17 my question i'm not going and i'm done speaking okay i i would assume subject to any correction by mr nips that that there's no harm in sharing them on the screen if i mean unless there's some technical yes um mr chairman this is something we have considered uh to answer a question there anything that is said in uh regular session is a public um um so um we are going to try to get everything on screen i'm not sure if we can do it this session but next month we put everything together as a package and whatever is discussed in regular session will be shared on the screen okay okay does that satisfy you uh missionary yes thank you that does i appreciate it okay who's next it's more with more miss wobble memo over you're mute by the way go to ronald wasser um everybody seems to be unmuted um who unmutes them okay uh the host good morning the host unmutes and i was muted but i did put a notice on the chat to everyone that at this time i have no uh no comment but i may before the end or maybe by the next meeting i could have some questions because i do have things on my mind but i'll just listen for now thank you okay

0:06:28 so who is next um i think um the host is controlling in the room so if we call a name i guess janet archer you are Janet Archer. Yes, good morning. Good morning. I'm a retiree. Yes ma'am. I live, I'm living in Maryland. Okay. How can we help? Any? Oh no, I just, this is my first time listening, so I'll listen and have questions later okay what about allison ritter allison ritter um i don't jones go to the next one uh roy mohead jr yes sir are you do you have a comment sir he's on mute i guess he doesn't want to say anything sandra um sandra morning can you hear me yes no i'm just listening to the meeting this is my first time

0:08:20 attending um grs meeting i am a retiree okay uh let's see uh shelly device uh yes shelly de weas um sorry yeah that's okay i'm uh my first time um tuning in and i'm glad to be here and i'll just listen in okay nice comments at this time okay maybe we could we could find out we could ask a blanket question about trying to who wants to who has a comment or who wants to say something it's gonna be hard unless i think what happened is the host has them in a waiting room and they're muted so um i see someone by the name of eric okay we have to find more efficient yeah i think what we can do mr chairman is next time we will ask them before if they have a comment and then we can have the names and before the meeting starts so we can just put them on whenever.

0:09:50 Also, Trustee Dorsey joined us. Okay. Okay, so we'll jump to item number five on the agenda. Yes, sir. 15 minutes. Thank you.

0:10:45 we need a motion to approve the minutes i think we have two sets of minutes one is a special meeting minute in april 14 on a regular minute and march 25th so we need motions to accept both minutes are we doing the active members i don't think i see any active members on the on the box office all right okay so i assume everybody read the minutes so i'll ask for a motion to approve the minutes so we have two sets of minutes right we have the minutes of the regular meeting on the 25th march and minutes of the special meeting on april 14th so start with the regular minutes you have a motion to accept the match Mr. Chairman, good morning. Before you do that, I would simply note that on the March 25th minute where it says Chairperson Ballreach report, there seem to have been a combining of your report with the administrator's report. So there should probably be a separation or

0:12:32 designation there i believe it's page it's on page two of the minutes yes there's always a separation it's just that somehow it was um it was deleted any other any other comments corrections for the minutes not doing i got a motion to accept them i move to accept the minutes from the last board you get a second mr dorsey i think i see your mouth moving but you're mute trying to get a second to put him in hello good morning good morning good morning hello yeah the system uh morning to everybody the system wasn't allowing me to get in also uh chair i literally just got the documents for the meeting today so i can't actually participate i haven't had a chance to review anything i got these documents this morning mr dorsey electronic copies were sent to you two days ago you picked up some package yesterday we didn't get the package down in time i called you and you got them this morning however you had access to the electronic documents i just wanted to be clear i requested these documents four or five days ago

0:14:27 in previous meetings mr dorsey i let it be clear so that we don't you know you're not blaming anyone we're trying to accommodate you as much as possible the documents we discussed in the oversight committee meeting i prepared them because they told me that same day on monday and i took them downstairs the electronic copies of today's meeting were given to you at least two days ago the hand copies were delivered downstairs this morning and i called you and i told you about but you had electronic copies prior to Okay, do I get a second for the motion?

0:15:32 So I'm not getting a second. Mr. Chairman, that's because practically everybody's muted and they cannot unmute. Ms. Smith just called me and told me she's muted, she can't unmute. could we could we do a two minute on hold let's hold it everybody while we try to figure out what what the technical issue is sure um i would recommend to the host mr uh moses that you unmute all trustees mike's please i did already okay so i'm not sure no i see mr dawson is showing us muted maybe he did it man himself manually okay mr chair in regards to the special meeting i would like to make a motion to approve the special meeting but i was not in attendance for the regular uh board meetings i want to abstain from that because i know you said you want to do it in a bulk no i was doing them separately so okay i didn't get to i didn't get a second for the regular meeting minutes i second okay so let me move that second then uh chair did you hear what i said this is this is trustee dorsey as relates to the documents i'm not talking about an oversight committee meeting chair i am referring to the previous general meetings where i requested documents

0:17:30 five days prior for me to review hard copy documents are not available five days prior we try our best and i'm telling you we sent you electronic copies two days ago okay well two days two days ago mr nibs is not working for me so i need a five day prior so that's why i was asking before chair if we need to change the date so that we can have time to review documents because there's a lot of work to review to come here and vote on something and i don't feel like we should just be passing itself through to vote on i need to be able to thoroughly um review the documents because i do have questions okay well the changing of the day of this meeting is out of the question obviously correct so um i guess your option is not to vote on the acceptance of the mates that's correct as well okay so we have we have it's been moved and seconded okay trustee colwood yes trustee dorsey do i see not voting trustee liger yes trustee mcdonnell absent trustee smith up same trustee barry just let's just clarify we we we we are voting on which set of minutes march 25th last month's meeting okay yes yes three yes one not voting one absent one abstain okay so that motion carries so now we need a motion for the special meeting on the 14th

0:19:34 i move that we accept the minutes from the special meeting on april 14. i get a second second second second and roll call trusty callwood yes trusty dorsey not voting trustee liger yes trustee mcdonald absent trustee smith yes chairman barry yes four yes one not voting one absent okay that motion carries thank you very much communication and correspondences Okay, first correspondence is a memo.

0:20:31 I just wanted to get it clear because this was something that we discussed in the meeting with the subcommittee last week. And there was a little snag and I wanted to get it clear so that we can understand this is the reason why we are including it has little bit billions of missing employer contributions. We had agreed with the government, OMB, and finance a few years ago that we would set up a system where we would receive monies and when we receive monies in lump sum, we would curtail billing the agencies on a monthly basis or not on a monthly basis but when someone has retired and their case is completed and they have missing employer contributions so as you know we have been getting funds from the internal revenue matching fund and we put them and among some we and we liquidate those amongst um every time there's um any type of billings for missing employer contributions so we just um updating the staff that we should not send out any bills to the office of management and budget and the central government departments that report to the governor also the legislature and the judiciary which is the supreme court and and the superior court for missing employer contributions to include actuarially determining contributions also known as a deck this will only be done for the central government legislature and the judiciary it will not be done for the autonomous agencies those agencies will continue to be built accordingly and we're doing that it's just that we had an issue

0:22:30 with a billing going into the legislature and we just want to rectify that situation uh also on april 20th we sent out uh what we normally do exactly what you said i thought it was very somebody has an open mic I sent out a memo on April 20, 2021, as regards to retired employees working, returning to work. Every, this is done every now and then. We sent out these letters to the head of the departments and um judiciary and the governor gets a copy um also the the inspector general because he's has a current um a current uh right now we also send it to the board of trustees and everyone just reminding them and what the rules are what the law is and we also submit the way we monitor the return to work which is on page one after the letter so we just this is just a notice to remind them that what the law is and what is expected of them um back in uh in march well back in in 2018 there was uh uh legislation that was approved act number 8132 bill number 32-0193 was passed in legislature to name the um the casino commission building um after the honorable um eileen peterson um this act was not um implemented so therefore on march 30 2021 uh marvin piquin who's the current commission chair man and the ceo wrote to the the um chairman of our grs board reminding him of the um act that was passed and asking for approval to um go forward with uh directing the um the sign during the inscription the eileen ramona peterson casino control building i discussed this with the um the chair and he

0:25:04 authorized me to respond to um mr pickering and i did so um i'll read the letter into the record in response to them mr pickering in response to your letter dated march 30 2021 to nellen barry chairman of the board of trustees regarding the implementation of act number 8132 the government employs retirement system as the landlord of the building being leased by the casino control commission located at 3005 orange grove has no objections to the commission erecting an appropriate sign with the words the eileen ramona peterson casino control building to the building as long as the signage confirms to sizes regulated in the virgin islands code therefore the casino control commission must submit a rendering of the signage to the grs for approval for conformity to size sign sizes regulated in the virgin islands code sincerely austin and libs copies to the board pedro williams board council kathy smith general counsel ishmael myers deputy general council and ayesha klingling gums acting ceo that concludes the correspondence you're on mute you're on mute mr chairman you're mute okay so that's it for cars yes sir okay so the chairman's report um i want to report What on the session- Point of information, Chair. Go ahead.

0:26:48 Do we ask, we have an opportunity to ask questions in reference to what Mr. Nibs just read? Yes, go ahead if you have a question on this. Yeah, I just have a question in reference to the letter dated, i guess with the attachments uh retired employees returning to work and if you go back into retired employees turn it returning to work on july 17 2019 well i was trying to get clarification on i guess because it's legal it says um exception to legal double dipping so basically if i understand this correctly you can do 30 years in the central government and then you can run for the senate and you can receive an annuity from the system um while serving in the senate which is the first branch of government is that correct is that what i understand here If you retired from the executive branch and using your scenario and you ran for the Senate and was successful, you will continue to receive your annuity, yes, because that's the law and collect a salary as a senator, yes.

0:28:19 Okay, so this gets a little confusing here. I don't think we should have legal double dipping. This money is coming from one pot. So here it is. We're recommending to send employees home in the GRS system itself, cutting the workforce by half, and then we have this situation here going on. To me, this is another way the system is bleeding. Also I mentioned in the last meeting, in reference to professors at the university, apparently they're allowed to be in a second retirement system and not pay into the GRS system, something in the law. I never got a copy of the law, Attorney Meyers mentioned that he forwarded to me, but I never did get the document but that's just another area that of concern that we have i guess that's legal that's not double dipping but there's a law that was read in an item that was read into the board meeting by attorney williams that all government employees would have to be part of the system and now we have these exceptions so that one of the questions i have shared um i think we need to fix this law this double dipping legal double dipping this is crazy to me legal double dipping this is the first time i'm seeing this so that goes back to what i asked before to um to the board and to mr nibs i don't think we should be allowing any employees at this point to even be confronted about laying them off if we're going to have this legal double dipping and i think we need to bring that to the senate i'm not sure if you guys who had your

0:30:14 meeting last week with the senate uh finance committee group had a chance to go over those issues but that's something we need to look at and then this other item in here in that same legal uh double dipping it talks about the senators working three terms and being eligible for an annuity that's something else we need to fix and then it goes on to say in this section that uh the governor's lieutenant governor are getting their annuity from a different area so we need to tie that in to this same uh retirement system as well because it looks like we're taking money from one area of the government to service the uh senate branch at this i mean the government house at this point so i i don't i just don't feel right that we're saying we got to lay people off and reduce annuities when the people who set the law are not even really uh even though it's legal i i just think it's the right thing to do i think how can i sit there as a senator and say that i want to not vote on a bill to help the system two or three times or not come up with a solution and at the same time because the system has allowed through the same senate um the representatives just to sit there and receive an annuity why the system is suffering overall so i think we need to address that now i'm not sure if it needs to be addressed by our council which is pedro williams or the two councils in the system but we need to deal with that issue and then i see something else in here about um returning to work

0:32:19 and i'm not clear on that mr nibs is it says in here um returning to work on a contract not on a contract it seems to be conflicting to me as well i don't know if you can clear that up mr chair may i respond to a couple of items that um trustee dorsey brought up yes go ahead good morning trustee dorsey uh in terms of the morning council in terms of the legislation Good morning. In terms of the legislation that I read in the last board meeting, referring to the professors, I sent it to you via email. However, I will print it out after this meeting and and place it downstairs for you to pick up.

0:33:06 In terms of the other items in which you mentioned, all those items in which you mentioned are permissible via legislation. And the only way that we can basically put a halt or stop or whatever you want to it is via legislation. um so if you want we could uh prepare um draft legislation and have it submitted to the senate but um as of right now everything that you've mentioned there is law and uh we must follow it until changed and just to add to that mr dorsey um we cannot submit legislation to be changed unless the board approves it and it would be done by the grs council but we need the board to approve any changes to the law we cannot take it upon ourselves to do that well i guess my question is chair um there's another document i'm trying to find this section but i think it's returned to work under contract mr nibs like trying to get clarification under the contract which you put in here maybe you can guide me to it skim it i just read it attorney smith could you respond please i don't have that document in front of me it wasn't in the board packet so i'm not looking at the exact language but um under the code you if you um return to work on a contract you're still limited by the provisions of section 706c so a nurse who's allowed to return or a teacher or a police officer who's allowed to return can return either on an opa or a contract

0:34:57 the code does limit them to no more than 55 000 if they come back on contract additionally there are simple members who come back under a third-party contract so i may um get hired by an an agency or a a business and that business hires me that business gets a contract with the government of the virgin islands and they have me come and do work on behalf of that contract so i think that's what was referring to okay so if you isn't a contract a contract at this point is my cl that's a clarification i'm trying to get here i think it's the bottom of uh july 17th letter mr news um where it talks about you coming back to work under a contract as an employee so i try and understand if i set up a company as a and i contract with a branch of government to do business am i circumventing the process at that point or does the current laws prevent me as a government retiree coming under the contract to work because in here it says it says contracts for all employees hired or retired into service so i just try to understand is that something else we need to clear up to send to the senate to get it changed because a lot of people just start having companies and then we'll have uh we'll start having these kind of situations where people will be circumventing the process so is that a loophole we need to fix as well because i'm seeing two things here i'm seeing on one just coming back not notifying the system and those hr people you're referring to um i guess sometimes they do what they have to do sometimes

0:36:49 they don't for whatever reason so i'm not gonna really look at that um but maybe that's something we need to apply in the law as well that there's a financial fine for the hr members um who are not doing their due diligence to assist us in that area shouldn't just be um a slap on the hand because financially it's affecting the system overall so i just getting i try to get clarification on the contract does it matter what capacity you come into as a retiree as relates to a contract is there any part of the contract part process that you would be um exempt and be able to come back to work mr nibs or kathy okay um mr dorsey i just spelled it out if you are hired by a third party who gets a contract with the government of the virgin islands then you are allowed to come back for instance mr nibs retires and he gets a job with lnc contracting who does um maintenance of the roads and um they get a contract with the government of virgin islands mr nibs is allowed to come back and work for lnc maintenance company and do work for the government of the virgin islands because he's an employee of a third party company that has a contract but we need to see a copy of the contract we do ask for documentation so we can verify it okay so how do we fix that i still feel like that circumvent the process because at the end of the day it's the same government money and this is what people are missing it's the same government money so maybe we need something in the procurement laws to indicate that under these circumstances when you're doing business with the government you're not going to be allowed to hire those

0:38:42 retirees to come back and do that and i'm not talking about nurses and police officers that's already there and that was there because um a lack of human resources to fill those positions um but i'm just saying in general because right now if the senate who makes the law is allowed to collect an annuity and i don't know how many individuals over there are collecting an annuity i don't have that information you guys can forward that to me i would like to know that but outside of that um it's kind of strange that you know bills are coming to the senate and all this time certain senators have been collecting an annuity while still collecting their salary so that's like what 150 000 a year not the 85 000 that we uh hear all the time in the news i i don't understand that so i was just trying to get that part claire so is that another item that uh council can work on to to close that loophole out we need to close these loopholes because they do add up right okay so so so you you know the original question have been answered right that you understand now what issue is and and then you're talking about um you're basically saying at this point you don't agree with it and we should be advocating to get that change i mean no what what i'm actually saying chair because you guys been here before me and when i came in we were talking about volunteer uh reduction in the workforce for the government employees of the retirement system so if they have 80 employees the goal is to get them to 40. but i truthfully wouldn't vote on any or wouldn't have voted on anything in that area of concern if i knew we had these other loopholes and the biggest loophole is our first branch of government and when i look at even the letters that mr nibs wrote i don't unless i'm missing it i don't see the first branch of government even cc on these documents yes i don't see them on it the president is the president is

0:40:57 sir the president you're discussing we have discussed this with senates for i don't know how many years since i've been here yeah i was just going to say that i'm not trying to go back i'm just trying to go forward okay i can't go back we need to we need to move forward in this meeting also i under i i agree chair but we do have we do have a blatant act here that's an activity that's affecting employees and the organization that we oversee i am saying for the record that we should have never voted on the volunteer reduction knowing that individuals can sit and collect an annuity at at the max and still get another 85 000. i i mean what is that about these are not these are not um these are conscious decisions that the legislature made these are not loopholes in that sense that that if these are conscious decisions that the legislature made with full knowledge of the implications now i agree with you that um in in the current context that we we need to be part of the package of restructuring the system and i think that's that's that's going to be the answer um that that we it be considered in the context of the restructuring of the system that needs to be done we've seen the court saying that the third circuit saying that the the anybody who had the moody's report everybody's saying the same thing and the the the meeting we had with the subcommittee which i'm about to report to at some

0:42:47 point on at some point um all those things are going to be on the table as part of the discussion of how we were structuring the system so i mean chair i would just say this um i i would just like to make a motion at this point if i can uh my motion would be uh to address the language of the code that's related to the legal double dipping for members of our government who are able to double dip legally as well as the loophole and the members of our system who are under a third party second party third party contract and coming back into the system mr chairman i think what his motion should be is to include on the agenda in regular session new business and he can do that motion at that time we need to move forward Under new business. Regular session new business. Okay, that's fine. That would be my motion. My motion chair. Under regular session new business to include the board today looking at the exceptions for legal double dipping. uh from members of the first branch of government and also regular employees that are able to come back on second and third party contracts iso mode okay so we have a motion to we to to amend the agenda as indicated by trusty dorsey do i get a second

0:44:45 I think it's fair to say the motion dies for lack of a second. So Chair, you can vote on it. Excuse me? Can you vote to give the second? I'm not sure. As the Chair? If I can, I would not support it. Second.

0:45:12 But I think somebody said second. Yes. Second. Janet Archer. No, you cannot do that. Trustee. Okay, so. Also, is it possible I can reorder the agenda. My motion is to reorder the agenda, the information for the Haven site mall. I would like to have in the regular session. Mr. Chairman, there are certain things that we're going to discuss that parties associated with the Havenside Mall should not know before the board decides. That's the reason why it's there, and we have always done that. If we made a decision that we can report out to the regular session after the executive session, then we will. will there's some legal issues that we have to discuss we don't discuss the whole chair the whole system is right now under a legal issue from non-payment from the central government to legal double dipping the whole system is under is under the legal process right now so we have we have a motion to reorder the agenda to move have a second but mr chair haven side is already on the agenda for executive session he wants it moved to regular session that's his motion but legally you can't do it so why

0:47:03 having a motion well i mean so he also a motion just don't second it if you don't if you don't think it's this mr chairman my time is limited here so we need to go on with this meeting this morning please okay so i think i think the motion died okay so that and my second my third motion council i mean uh chair my my third motion this morning because i'm looking at the agenda um in terms of the um alternative properties the haven site mall uh well let me just leave that i'll i'll come back to that thank you thank you i'll come back to that okay so i think we were at the chairperson's report and i was about to report that um on the um meeting we had uh i was invited to myself and um the mr nibs and some council on the subcommittee that was formed by the legislature. It's a subcommittee of the finance committee and it's chaired by Senator VLA and it's called the GRS restructuring solvency and economic development subcommittee. It was not a formal meeting, it was held in um in a room and not not in the not in the chambers there was no um there was no formal testimony given there was no recording taken of the meeting there was no swearing and it was a

0:49:03 dis an exploratory session for discussion purposes there were seven senators present and um In terms of my takeaway from the meeting, I'd like to say that we, I think, the net result from the meeting, from my perspective, is that I think we have the full and engaged attention of the committee. As I said, it was seven senators president and we had a for some discussion about some of the ways we can move forward and i think to me what was um encouraging about the meat is the fact that there's there's nothing off the table nothing nothing was off the table there's a willingness to discussion the full range of options um we are going to the the center has indicated that he is going to have a second such session in about two weeks time and he has asked um grs staff to prepare some analyses that we will have our actuaries and our consultants work on start to prepare an outline of a way forward so we will do that and we will then reconvene at the call and hopefully we will that will be a good start to what we hope will be a solution to the fix to the problem So that's basically my report on that meeting, and I'm really looking forward to the next session and we'll begin to delve some more into the options that's available. I think once a step after that would be to develop an outline of restructuring that

0:51:35 be then formalized in terms of formal hearings and testimony in the chambers that concludes my report a point of clarification chair yes so the follow-up meeting is that between yourself and um the committee with mr uh senator viola that's my understanding is that going to be with the rest of the board that's my understanding it's his meeting is his call uh and we will respond as he requests well even though it's his meeting chair um i as a board trustee i would like to attend okay um i'll bring that to his attention well the point i'm making chair i think we have to stop letting outside sources dictate how we function as a board if any trustee would like to attend any function or have access to any documentation which wouldn't be included in the same type of meeting firsthand that should be be a right, not a privilege.

0:52:59 I don't know if you have a right to tell Mr. Valle who's supposed to attend a midnight is calling. Yeah, we do have a right. Okay, so, I think I've answered your question. All right. Chair, can I move forward with the administrator's report?

0:53:30 Yes, please. Okay, good morning again. On March 29th, I met with the Havenside Mall oversight committee and management, and the main discussion was the generators that we are considering purchasing. On April 6th, I met with the CFO and the general counsel and Segal in regards to the additional contributions that we call a deck on the 7th of April I met with general counsel deputy general counsel and director of member services discussion on the status of we weren't to return to work cases on April 8th I met with acting CEO we got to update on a reduction in force program St.

0:54:16 mccoy retiree election and new trustee orientation the 14th i attended a special meeting i also on that day attended meeting with board council systems council and waiko attorney to review and finalize outstanding mous with waiko the 16th i attended along with the chairman the grs subcommittee hearing on the grs urgency on the 19th i attended again a joint haven site mall oversight committee and management meeting same day i met with the acting ceo and various outstanding infrastructure projects yesterday i met with the senior staff uh as far as the retirement application as of april 30 2021 um we have 145 um applications outstanding we have five in 2019 73 in 2020 and 62 in 2021 this percentage of completion is directly under those numbers some of the reasons for outstanding as no purse maybe employee missing contributions and some other issues as far as disability life certificates it remains the same we still have have not received 28 of those 231. So those individuals checks have been held until we have some indication if that person is still alive. As far as refunds, as you can see from October through March, we have paid out $3.3 million,

0:56:12 of the $3.3 million, 2.9, or let's say roughly $3 million is for individuals who have not been vested. We have at least pending number of cases, pending as of March 31, 50 cases, 44 for vested, non-vested members. Debt benefits, so far we have paid out through March 31, $1.3 million. 16 of the 23 debt benefits were active members, about 868,000. We have 53 cases left to be completed for active. Retirees, we have 24, a total of 77 cases left.

0:56:59 Annuity payments through March, April 15th, 2021. Number of retirees as of the April 15th payroll, 8,667 retirees. Total paid out for retirees and pensioners from October 2020 through April 15th, 2021, $139,434,848.51. Number of retirees added to the payroll from October through April 15th, 123. The number of retirees deleted from the payroll October 2020 through April 15th, 155. The gross retiree payroll for pay date April 15th was $10,736,207.88. So we're roughly paying out more than $21 million a month in retiree payroll. Active employees of March. Okay, so that was April 15th. Okay, I'm sorry, go ahead.

0:58:11 Yeah, it was last week. Active employees at March was $8,771. As far as a loan portfolio, currently as of March 31, for personal loans we have two 2,455 units. Of that 2,455, 1,338 to St. Croix, 1,117 to St. Thomas. As far as mortgages, we have 86 mortgages outstanding. We have 59 in St. Thomas and 27 in St. Croix. The The total amount of loan outstanding as far as the portfolio dollars is $29,622,485.75. The majority of these loans are going to be maturing about in round 2022. So you're going to see a big drop between now and 2022, 2023, but the last loans probably expiring in 2024, early 2025. Obviously, the mortgages go extends through 2030 or more, through 2030 or 2035.

0:59:32 As far as operation in St. Kauai, there was a fire inspection that was completed. As you know, we had carried this before, and then we had some delays in the doing the fire inspection that was completed. and security doors installation i had opportunity to look at them when i was over there last friday and they do have some more work to be done however it serves the purpose the landscape project is 95 complete the majority of the work is an housing office complex in st thomas the northern roof repairs were completed and we have our approved 20-year warranty we received that for that roofed.

1:00:17 Our air conditioner project, this is a big project. It's being done as we speak. It's very interesting. You can feel the difference because we're having some routing of air, but the project outside, you see the people and the technicians, they're doing whatever they have to do and they're moving very rapidly. So hopefully very shortly, we would be able to um have the entire building and the air conditioning system in place um we have some ongoing projects uh lobby the lobby is going to be reconfigured and uh contract is signed and grs received the designs and the buildings we also have the hip roof replacement this is another part of the roof that contract had been signed and we are waiting the drawings and the design of that roof on the main building as far as the rental electricity collection exhibit a march 2020 we collected 526 725.94 cents of that amount three hundred and one thousand one seventy one thousand sixty one cent was for rental difference was for electric total fiscal year to date we have collected between uh rental and electric six hundred seventy one thousand eight hundred forty seven dollars and seventy cents um of that rental is 436 292 dollars and one cent our rarages to date is 200 737 dollars and 88 cents of that amount 37 063 is rental the balance is the electric uh leases the only leases that are still pending is the division of personnel

1:02:18 uh we have the lease signatures that are pending obviously there was a negotiated amount Department of Justice, pending language suggestions, or whether there's some objections from DOJ and legal is working on the language and trying to negotiate something with them. As far as the casino control commission, receive the language suggestions from the commission and GRS is finalizing, is looking at the language, whether to accept or reject. The building appraisals, that's the building in St. Thomas and St. Croix. Those appraisals were done a couple months ago.

1:03:03 The completion is anticipated as far as receiving a report by April 30th, 30th in next month, next week, really. We should be receiving those next week. St. Croix retiree election, that started yesterday. as you know the new cycle begins april 21 which was yesterday and through may 12th i heard a um add on the radio this morning so we hopefully we can have someone in st croix who's a retiree that can apply and be qualified to to occupy that seat strategic planning uh when is that process supposed to be completed may 12th okay that's that's the target outside attempt right i think that's the third attempt okay hopefully we'll have some competition and have an election so we accent the retirees that um are listening to you know if you're qualified and you like to serve please do so um we're going to be discussing the strategic planning and retire in a regular session so um this uh clandina is going to give us an update on that uh on the rift program we had a meeting yesterday just want to give you an update um nine employees submitted intend to voluntarily separate under our voluntary reduction in force program currently four individuals have been

1:04:48 and accepted RIF program and scheduled to separate. One will be separated, well separated March 31, and three will separate in May 31. There's one employee who denied the term of the RIF program and opted to stay on as a GRS employee. Also, the three employees were found to be ineligible as a position in which they hold are essential will not be deleted from the budget grs may reconsider the two employees initially denied we have to look at that some more one employee will be offered a contract uh employee of the year for 2020 henito donovan messenger st thomas office his peers elected him and shimika nathaniel benefits analyst in the st croix office bonuses for usw and exempt havenside how are the two employees of the year going to be recognized well they're usually recognized there's a government um is planning and is more up to that but there's a government recognition ceremony that's usually held i guess it'll be held virtual this year like last year they will be recognized that way and we usually recognize them also in our annual celebration ceremony okay uh-huh um grs payroll has process bonuses for employees governed by the usw union to include employees working on st thomas st croix inside location um they met all requirements according to the cba exempt employees working at havenside according to

1:06:38 the approved budget by grs board for fiscal year also were um approved um fema insurance grs responded to fema to continue the process of obtaining the warehouses 428 monies the grs can withdraw at any time we may be able to discuss this some more in the executive session but I behave inside more. That ends my presentation, Mr. Chairman of Trustees. Got any questions? Are you done?

1:07:26 Yes, sir. That ends my report. okay any any questions on the report okay so next move on to the next report there's a committee report any committee reports i do not have any committee reports for the development committee yeah there are no committee reports no not for me okay treasurer's report good morning board chair other board members this is the schedule of receipts and disbursement for the government employees retirement system for the month ending march 31st 2021 at the end i will give a brief synopsis um receipts from collections loan repayment 1 million 137 491 year to date 7 million 313 dollars 738 rent from tenants and utilities slash utilities 255 thousand seven hundred and eighty four year to date 459 thousand six hundred and sixty five employer retirement

1:09:19 contributions eight million three hundred and sixty eight thousand four hundred and thirty nine year to date forty seven million six hundred and nineteen thousand seven hundred and one employee retirement contributions four million three hundred and forty four thousand nine hundred year-to-date $24,318,328, parking facility $380, year-to-date $4,600, miscellaneous $57,255, year-to-date $4,967,307, for a total collection of $14,164,306, year-to-date $84,683,339, disbursements, annuity payments 21,733,686. Year to date, 131,263,129. Administrative expenses, 1,287,385. Year to date, $7,195,893. Personal loans, $8,759. Year-to-date, $126,218. Mortgage loans, $3,039. Year-to-date, $74,298. There is nothing for retiree and auto loans for the month, but year-to-date retiree loan was four thousand refund of contributions one million one hundred and twenty nine thousand

1:11:20 two hundred and twenty three year to date four million seven hundred and sixty four thousand 74 for a total disbursement of 24 million 162 091 year to date 143 million 427 612 for a net cash deficit of nine million 997 785 year to date net cash deficit net cash deficit of 58,744,273. What this means in a nutshell is in the month of March GRS collected 59% less than they needed for their expenses then and therefore we have a 41% shortfall of nine million nine hundred and ninety seven thousand our year-to-date collection was approximately three percent less than the same period in fiscal 2020 and our year-to-date disbursement was reduced by two percent or three million over the same fiscal period um year-to-date administrative expenses is approximately 43 percent of our budgeted amount for fiscal year 2021 due to the year-to-date shortfall of 58 million grs had to withdraw from the portfolio the investment portfolio 59 million to supplement the inflow of cash so that's the brief overlook of what the report is all about we move on to haven side before you move on mr mr nibs um this is why the reports they'll be able to put up on screen next time around yes uh whatever report uh we present even my report i mean it can go on screen so anything that we reported now i think for the benefit of the viewers we will put on screen sir investment report also okay i think that would be very helpful

1:13:48 yeah the folks listening yes sir okay go ahead mr we move on to the haven site operation and um from the month of march we collected 175 thousand eight hundred and forty seven year to date one million three hundred thousand nine hundred and fifty four and we expended 343 869 year to date one million seven hundred and fifty two thousand one hundred and forty seven for a net cash deficit of one hundred and sixty eight thousand twenty two year to date for one hundred and fifty one thousand one hundred and ninety four cash deficit for the month of um march 2021 haven site um collected i have a question mr chairman on the the deficit for haven side so how is that funded is the bank account is gone down is that the bank account has approximately seven million in it um mr chair what a lot of the funding especially for the capital project is from the insurance receipt that we have received and some fema monies that we have received for some of the projects as well so all of the cash outflow is not from the haven site operating cash okay so all right so so the 451 thousand dollars is a wee bit

1:15:49 overstate it right or misleading if well yes well it's a cash flow statement but if you want to put the source of income then all of it is not operating income right insurance proceed okay so some somewhere on on the cash receipt side I guess we need to show that some of the cash is coming from federal funds. So, okay, let's talk about that.

1:16:29 Okay, but the bottom line is that the $451,000, all of that did not come out of the Insight Mall Banker Cup. It did not come from Haven site operating revenues. Okay. Okay, gotcha. Go ahead.

1:16:59 And that's the end of the report, Mr. Chair. Anybody has any questions? I have a question. It's trustee Dorsey. I would like to make a motion as well for these for haven site projects and the other alternative investments that we address these issues prior to the general meeting and the capital development under the capital Capital Development Committee, so that we can drill down more and have more time to ask the questions, instead of getting all of this in one shot in the general meeting.

1:17:48 Okay. okay um i'm miss cole is on the line make a note of that i think we we're trying to set up we're trying to find a date for a committee meeting um and i think it was supposed to be uh a committee which committee was that goes by to me development committee under the development committee because haven site haven site is doing capital projects through an oversight committee in which the board we have oversight over we're not really there so i'm saying that all capital projects should be under the development committee prior to coming to the general committee so that we can drill down on the questions we may have in terms of direction i'm agreeing with you mr dorsey i'm giving you um probably surprising you but um so what i was going to say is that we're trying to set up a committee and i think what will i'll i'll make it a joint committee so that we the joint committee of the budget and and development committee so that we could address those because we're having difficulty finding people's time for these committees so rather than trying to set up separate committees we'll probably do a joint committee and you know try to tackle as many of the issues we could once when we have people available board members available so you're you're combining two committees now i'm suggesting that we do a joint committee so that

1:19:45 uh we don't we try to fit a budget committee and then a development committee and then there's how many we have about four different committees we're going to be one note of of of time to schedule the folks for these me committee meetings so i'm going i'm going to suggest that we will do a joint committee. I mean it doesn't matter what we call the committee as long as you get your issues addressed, right? Okay, are you going to be the chair of that committee? No, I probably won't chair the committee.

1:20:22 We'll figure that out. Okay, so is that for next week? i know i think miss coley was trying to set to find people's availability there should be an email going around because i think we have an orientation board orientation someplace sometime next week so um we're going to be doing a survey to get people's availability for the next committee the chairman yes sir i got something i i'd like to make a recommendation which i think would be more efficient even something else even files for us falls under the investment committee i think if we have an investment committee which comprises of all board members then the other committees the subcommittee like the developmental committee can report in and also the budget committee i'm hearing um trustee um dorsey talking about projects and and things like that i want to remind him that the board already approved the projects for the haven site mall right they already approved the projects contracts have been signed already okay well let's let's let's hold this content for the meeting i'm not okay because you know but I would recommend you have an investment committee and have the subcommittees report to you because you can make some some you know decisions there that would you know encompass everything that we're talking about.

1:22:01 Okay that's that's kind of what okay that's that's fine I mean that's that's like a joint committee maybe it's quite different. Yeah yeah that's what I'm saying but let it be an investment committee meeting and then let the those subcommittees reporting and then i'm fine i'm fine with that mr we'll set that up and i guess the items on the agenda will return whatever we want to call it what that's what's important right the items that gets on the agenda yes that's correct okay that's good did you mr dorsley well i really didn't need the clarification from Mr. Nibs, I think I was clear on what I was saying. I was explaining that for the time I've been here, Chair, under the capital projects, the focus has primarily been on appraisals for the two land properties and the two buildings, basically, and haven site. But that's not moving forward the capacity of the system. That's all I was saying. So I thought we could have been more focused since we do have an established under the rules and policies a development committee yes it has some finances in it but i don't want to put it in a finance committee and then we get caught up into this loop that we're in now well i was thought we could just get right to where we need to go because i think we as a board after going in and sitting in the oversight committee the first oversight committee i realized that these items need to be in the capital development committee so that we can start to move things forward not look to sell the assets what we need to look forward on that on that front because i was at a disadvantage to be truthful in the oversight committee well i was just at a disadvantage we okay we'll we'll set it up mr i mean for me as

1:24:00 chair i don't doesn't really matter what you call the committee the important thing is to get you your item on the agenda so it be discussed so we'll we'll figure that out um i mean the the committee that mr names integrate can comprise all members of the board so uh you can't ask for a better committee than that okay if that's if that's what it is shared and that's what it is that's fine okay okay um so we don't move into um regular session unfinished business investment report of course oh yeah we have to um we have to um motion have to be made to accept the treasurer's report and then we'll go into the investment report chair make a motion to accept the treasurer's report do you get a second second move on second then we'll call trustee calwood yes trustee dorsey yes trustee liger yes trustee mcdonald absent trustee smith yes chairman bowery yes five yes one absent okay investment officers report

1:25:51 we should have leo castino from nikita on the line yes and good morning uh everybody pleased to be here today we emailed materials a few days ago i'm happy to pull those up and share the screen if those would be desired otherwise i can just speak about that report put it on the screen yeah will do one second are you able to see this yes sir all right So here's what I plan to cover today, a quick synopsis of what happened in the last quarter, statement for performance and market values for the fund as of March 31st, and then a recap of the cash flows that have taken place during the recent time. So I don't expect this to take long, maybe about 10 to 15 minutes maximum. I'll stop along the way for questions.

1:26:51 I'll start with performance broadly for different markets. I'll sum it up as saying on the equity side, those areas that didn't participate much last year, smaller cap companies, value stocks, financial stocks, energy stocks performed the best. And those that participated most last year still produced gains but more muted what probably was the most critical news was the big increase in interest rates mostly driven by increases in inflation and so relevant to this fund tips which are treasury inflation protected securities lost about one and a half percent and the uh the most critical one is the uh the core bond position that lost about three percent um this does not happen very often but at times it does in 1994 was one instance when interest rates went up about 300 basis points in 2013 we had another episode and in those times bonds produce losses but they tend to be moderate typically in the low single digits um as was the case um in this first quarter on the other hand when there are corrections in the equity markets like it was the case one year ago you can see double digit losses 20 30 40 or more so certainly more muted on the bond side I will skip now several pages to touch on inflation and unemployment. So you'll see the big uptick here in the last few months, bringing it to above average compared to the last 20 or so years.

1:28:43 So the last measure was about 2.6%, the change in inflation. And that's driven by positive momentum in the economy. You'll see unemployment continue to decrease. Now it's sub six percent so all those are good news continues to move the market forward there's you know good good amount of stimulus both fiscal and monetary coming from the government good news overall relatively speaking to other parts of the world on continued vaccine and covid cases you know some parts better than others but still overall much better than just a few months. So with that, the next section looks at your fund specifically. And the first thing I'll note on page 18 is that at the end of the quarter, we sold out the equity positions and the tips position uh primarily um because this was what you know in anticipation of additional cash demands to pay benefit payments but also taking advantages of a very strong run essentially locking in strong gains as you will see um on the next page i'm sorry as you will see in a few pages later um the gains were quite robust on both of those portfolios so the fund now holds you know most of the positions in bonds and cash with some legacy positions in the two private equity fund of funds that continue to perform quite well and distribute back money on page 19 you can see the trend so u.s equities in blue where about 40 percent of the fund and over the past three years they've been reduced and eventually eliminated just a few

1:30:41 weeks ago most of that has gone into fixed income and cash and those are the sources to meet the continued benefit payments here's performance as i mentioned bonds lost about um three percent we have gains on the equities when you combine those two others also with gains and keeps we arrive at a loss for the quarter of 1.9%. The good news is that in what goes in April so far in just a few weeks, bonds have posted a gain of about 1%. So about half of this loss has already been recovered in the past few weeks. So obviously, that's not shown. And from this point on, that's all that matters to this fund is how bond markets perform because we are are unfortunately with limited capital and no longer hold any equity positions.

1:31:40 Here's the performance that I was alluding to earlier. So equities over the last year gained about 60%, six zero, 60%, and TIPS gained about 8%. So very strong performance also on the bond side. And so those were the two positions that were sold. gains were locked and moved into mostly fixed income and summing cash and then below you have the two master of funds continue to to pay back and now we have about 11 million in those positions so i'll skip over a few pages to page 24. this portfolio is very efficient it now holds just two uh products one is the the blackrock debt product which cost about five basis points that's the lion's share of the assets. And then the Pew actively managed fixed income, also a very conservative strategy after a bit more, the blended fee, about seven basis points.

1:32:42 This provides a good synopsis of what you own today. So roughly 300 million in fixed income. And if you look at the table on the top right, you'll see the yield to maturity. So that's more or less what you would expect the bond of high quality holdings to to return about two percent per year so we are in a period of low interest rates so it's very challenging to make a lot more on the other hand you cut a lot of volatility as i mentioned earlier if we were to go through another period and we are mostly invested in equity we can see our holdings be cut in in a third or more as the average correction in the last few times has been about 30 to 35 percent.

1:33:27 If you look at the tables on the bottom or the charts on the bottom you'll see the very high quality with about 70 percent of holdings comprise AAA securities. Those are the highest rated bond instruments out there and a large portion of these is comprised of agencies, treasuries and high quality credits. So to wrap up and then I'll take any questions on page 32 we have cash flows and so for this quarter roughly eight million dollars have been close to eight million were used to pay benefits net net of any contributions that have come in and during the fiscal year today so that's about half of the year it's about 40 million dollars the net cash that went out and over the trillion year it's close to about 100 million dollars so again the way you read this is you have the beginning value which was just under 500 million and you have the net investment change which in this case was a gain and you have the ending market value so in this case you would subtract the investment change from the ending market value and you'd be pretty close to you know 390 or so and so that means you know when you subtract the beginning market value from that is close to about 100 million dollars so that's what you saw going out of the fund and recall Miki that does not cover or advise on the local assets just those would be in addition to these assets and we just get a report and for purposes of um you know actuarial or other matters those are included but you know we don't have any good insights on those and you know better those those

1:35:25 position is done so with that i will conclude my remarks i will stop this presentation happy to pull it up if anybody has questions pointing to a specific page um so i will uh pause now thank you uh cheers hello yeah go ahead mr lossy you had a question i didn't i blanked out on that page 34. can you repeat 34. leandro you're muted i was muted i said sure let me pull it up uh page 34 give me one second okay um so this is a fiscal year today page 34 it shows the beginning market values of october one being 463 million excluding local access and the ending market value six months later on march 31st 2021 at 427 we did have an investment gain of about uh 4 million uh and so what you see here is uh roughly 40 million dollars that have gone out to pay uh benefits and expenses of running the fund uh during the past six months what did you say i'm sorry what did you say went out 44 millions 40 40 million deeper take was used from the system's assets to pay benefits net of the contributions that came into the system.

1:37:23 Okay, so can I ask you a question? Can you add another category on that to reflect that? Can you break it out? Yeah, we can do that going forward for sure, yeah. Yeah, I'd like to actually see it in this section of your report where it shows the actual cash that was drawn down to pay to retirees it would actually say that a line that was drawn down yeah it is implied we can do it for this for the quarter and year to date yes we can do it in the next report and make sure it is very evident and and you know stands out easily so there's no calculation to be made uh chair to uh mr nibs can you note that for the record we have that information mr jeremiah can give it to you we know what is drawn down every month so you can get that yeah i wanted i would like it in a clear report in this report that's not sneaky because they're doing a report however i'm saying to you that we can give you that information i understand mr nibs i just wanted him more than one please clear thank you leo has indicated that he will put it in the next report yes correct we can do that thank you i had another question uh in reference to i don't know if you're able to get hold of an article that was in Wednesday's Daily News that talked about the Moody's report of the VI refinancing the bond debt. Has your company had a chance to look at that?

1:39:25 Is that going to affect us in any way? Mr. Nibes, is that the article you sent us and as as well as the actress on Wednesday, is that what? Yes, I reviewed that article and I'm pulling it up as well. What is the question, Mr. Dorsey? What did you gather from the article? Because I noticed in the article, the board itself was not part of the solution in the article, and I'm not sure why. It was kind of one-sided. My interpretation of the article was more of, the uh the governor and the first branch of government and the court indicating like who should be trying to recover the monies and even if they recover those monies it's still not going to be enough to show up the system so part of the article is all right but the parts in there where i don't know if people are actually listening because we have a lot of um areas if you've been listening to me today that we're legally able to allow people to double dip in the system and i know that's not your uh part unless it was in that retreat report that i haven't gotten up to now but these are areas that should have been dealt with because all of this adds up to cash uh for the active and retirees so i was just wondering when you look at this report what did you really gather from it this article sorry yeah so if you're referring to the moody's report my understanding is moody's is looking at it from the credit worthiness of the virgin islands to meet interest and repayment of principal of any bonds that he has outstanding and essentially he was saying well

1:41:24 these 40 million dollars that now the government doesn't have to pay girls alleviated a little bit but it still is the minimum amount and the the largest liability remains the the pension system and as such this doesn't move the needle and i think the article concludes that if the pension system will go insolvent it's also very likely that there's going to be some kind of default with respect to those bonds that are outstanding and so i think that was the summary that was my interpretation of the moody's article i see it's from the perspective of the bonds that are outstanding more than anything else yeah also let me just say this the uh it still seems to me we're gonna need a third party to assist us with this i don't i just don't think people are getting what's going on from the top i think we're just coming here every month and we're just more or less reiterating the same thing through these reports but i think we just need to be able to sit down and come up with a plan and bring the plan forward but i don't think that plan is going to come from the same first branch of government who's legally double dipping i didn't even know that was going on so you heard me say that many times today you heard me make a motion to address it and we still didn't address it as a board so i'm not sure if we're just spinning wheels here or what we really here for to do so and i did request a meeting through the chair that we meet with the governor even before this report came out as a board we need to meet with the governor you can make a note of that as well mr nips thank you

1:43:14 it's a boy you're muted i'm sorry um any other questions on on the investment report do we need to accept that mr nibs did we formally accept that report no okay no okay so the next item on the agenda is the update to the strategic who's going to present them good morning I think there are new business that Mr. Dorsey wants to make a motion on or reorder agenda or something. Can we do this now? Attorney Williams? Yes, if that's the chairman's desire.

1:44:30 What was the issue he wanted to reorder the agenda for? I can't even remember. Mr. Darcy, what was this you wanted to re-order the agenda for? I wanted to discuss the... Kind of slipped my mind here. I was here reading a document. You wanted to address the... You had made a motion to address the language of the legal double-dipping and to close some of the loophole on the second and third party contract issues.

1:45:11 Yes, I so move. That's my motion. Well, I don't think it stands for motion. I think you wanted to add the item. I want to add it on. Yeah, I want to add it on the agenda. And my other question, the legal counsel, I'm not sure if it's the system or attorney Williams. who would be the attorney addressing this issue from a legal standpoint to send it to the senate for a vote to change the law good morning again it would be the systems attorneys okay so do you you guys have any draft uh language already that you submitted prior to me coming to this seat so we don't have to reinvent the wheel i believe i have some draft language yes so chair i'm asking can we get a copy of that and i guess we can address it in committee certainly i'm not going to hold up the meeting today we can address it in committee i just need my copy so i can start reviewing prior to whenever you set that date here. Mr. Darcy, you have somebody at the legislature that are willing to, to put this bill in perspective? Yes, yes, I was suggesting that we can do it two ways. I can give it to who I need to give it to at the Senate. And also, we can forward it to government house.

1:46:50 that's why we need to meet with the governor because he's able to send it down and special order this to the floor because it's that important to the system okay mr dorsey let me make sure i'm clear the language i'm gonna kathy kathy if i may mr dorsey i think there are a couple of things that we probably need to address it um systematically one is i think you had a a motion to amend the agenda to add the item so that needs to be dealt with if you still want to proceed in that fashion secondly if your desire is to see the language that the system has relative to this issue and then have the chairman assign this issue to a committee that's you know kind of part and parcel of the same issue and that might probably be the best way to go because even if you put it on the agenda today i'm not sure that the trustees are prepared to address the issue without having the language in front of them etc so maybe your approach ought to be have the system send the language that they have have the issue assigned to a committee that's the chairman's um preference have the committee vet the language and then bring it back to the board because at the end of the day it has to be a board decision or resolution that says we want to send this language to the legislature or we've adopted this language for approval for it to be then sent to the legislature you follow what i'm saying i follow what you're saying and that's a very good recommendation um chair are you good with that chair you can assign it to a committee yeah okay mr dorsey could you just clarify which language

1:48:38 you're talking about because we talked about the legal double dipping we talked about coming back on contract so i just want to make sure i'm clear what language you're looking for both okay i have language on the contract issue i will have to work on the double legal double dipping because that has never been something that has been discussed or even thought about doing because it was not anticipated that the legislature would um revoke that but we can we can come up with some language for that okay so so that would be great send him what you have and i i think you probably have a discussion with him prior to the committee meeting so that you you're both clear on what is it he wants and you're clear as to what is it you need to present to him ahead of ahead of that meeting okay so chair do we need to invite uh senators that would be interested in moving us forward to that meeting no i think we need to discuss it first okay there there are people that want to actually make this happen believe it or not i'm not sure why it didn't happen before um but there are individuals who want to make this happen and some other things happen for the system mr dorsey just so i'm clear there's senators the senators are not the only ones who legally double dip you know there are also judges so do Do you want the judges included in that?

1:50:19 I said, I mentioned that, Kathy. Sorry, Attorney Smith. I mentioned the judges in the document that I just got this morning. OK, I just want to make sure. It talks about the judges. And I also want language in there to address the governor and his annuity coming into the system. That has to change as well. OK, the governor's annuity is not paid by the system. The governor's annuity. I understand that. That's what I said earlier. His annuity is not paid. annuity is not paid by the system, but it needs to come into the system. We all need to be in this together. But the governors don't serve enough of time, so you would put a greater liability. If a governor serves four years, he gets a pension. We don't want that liability for somebody who serves four years to get a pension for the rest of their life. So I think that it's my opinion that the governor and the lieutenant governors should stay with the finance department and not take on additional liability i agree well maybe we just make we need to make recommendation that if they want to get that annuity in the future they'll have to serve more terms that's all the senate just did it today so they put this out from where they was to serve in six years and being entitled to annuity i'm a class-free worker and i can't work six years to be entitled to annuity that doesn't make any sense but does the governor decide how long he serves no we're talking about recommending a change in the code so that the governor and the senators will have to work more terms before they're entitled to an annuity but the governor by law the governor can only serve two terms so that would still only be eight years and he would still get an annuity

1:52:03 So you're taking on greater liability. I think that's why these things need to be vetted in a committee where we could delve into all those, those, those intricacies. Can you just follow the language for the categories at least so that we can look at it in committee? I think that could work. You got it, Kathy? I mean attorneys. Yeah, I can, I can send the language for which members of the system are allowed to double dip. That's not a problem. Ms. Smith. Attorney Smith. Attorney Smith. That should also include those, that should also include those professors at the university.

1:52:54 because their option should be an alternative investment, but they should have to invest in the system as well because they're getting paid from the same general fund. Okay. We fund them at at least 50, over 51% as a government. And I think that's the only HBCU that's getting that type of funding level throughout the whole country. Okay, I will include that. So they're not exempt. And whoever else you know that's right in the system, unconsciously, they need to be part of it.

1:53:30 So whatever other language you have, just submit it. Okay. Okay, so we're good on that? Yeah, we're good on that. There was something in Mr. Nibs report, chair. He was talking about something with employees in the system. I didn't catch it. Can Mr. Nibs repeat that? It was before the employee of the year, I think. has to do with the rift program sir okay okay so chair my position with the rift program um asking members to volunteer what right now right now they're here to leave we need to get back to the we need to get back to the agenda i mean we have an agenda to finish today mr drs employees we're talking about sir you're not talking about the general central government employees we're talking about the grs employees i i agree mr nips but all i was trying to say that the kind of monies the system itself is paying out these employees should not have to lead the system we need to stop paying out the monies that we're paying out currently my understanding is we're paying out monies in your building pre-paying for uh services

1:55:25 that the tenant should be paying and also we're doing something similar now at the haven site property so i'm saying when you look at the type of monies we're paying out no one should have to voluntarily separate or be asked to separate from the system at this point i think we need to take care of for example the electrical uh scenario you'll have at the grs building where you are actually pre-paying the bill mr dos we need to get back to the agenda yeah let's move on i mean okay you know is that something you want to take to committee uh chair yeah i mean if you want to bring that up in the chat i mean we have we had we discussed that already you you yeah i mean if this is if this is michael to me is it isn't this micromanaging why are we getting involved in that we had a long discussion i agree i agree i agree chair hold on a second hold on a second that and we did we made a conscious decision after discussion so you're asking us to revisit that that this that that that um decision that the board made i mean we didn't we made that after a long discussion and the issue around the reduction in force was not necessarily about um cutting expansion had more to do the fact that we're looking to go insolvent in two years and we wanted to to rather than that that's part of the wind down of the operations as a prelude to to insolvency that that that was that that was that was the context and i hear you i hear you yeah we had a discussion that was fully discussed fully vetted and voted upon we can go and go back and and and revisit those those votes

1:57:29 i hear you i hear you loud and clear chair and i also hear my my counterpart um representative i was just saying that we just have to be fair and i did not have the additional information broken out like we had in the last meeting as had i had that information pre-paying close to a hundred thousand a year i mean a month i would not i would not have voted that way and i don't think in good conscience maybe the rest of you would have may not have voted that way i don't know if you knew about that i know i didn't know about it okay and here now we're asking employees to go home and when you subtract that out that's a lot of money on a yearly basis for something that could be fixed for less than a half a million dollars we're not we're not asking them to go home i mean they're not asking them to go home you ask them to volunteer to separate i mean they'll volunteer to separate if they have some place because they have a other option that's phase one chair phase two is asking employees to go home are we going to move on to the strategic plan i'm trying to get there okay chair that's all i have to say but i think that should go in committee as well mr chair can we get back to the agenda please please all right mr chairman i am signing out at 12 o'clock didn't you know that okay noted um i don't know where we are we update on the strategic plan who's going to do that as they as the question been at that uh attorney williams said we're going to forego he's going to pull back his motion mr dorsey yes we're just going to deal with it in committee attorney is going to send him drafts or whatever she has to put together okay thank you yes i'm pulling back my motion mr nibs strategic plan mr news thank you i'll have miss um lending and gums present

1:59:49 pleasant good morning uh trustees um as you know the grs um entered into a memorandum of agreement with the university of the virgin islands to work on a grs collaborative strategic plan for 2021 to 2025 thus far we have had town hall meetings to gather information from various stakeholders to include the community the business community the retirees active members board members coming up next we are scheduling the meetings with the governor and the legislature um last week we worked on several historic and current documents and reports that the uvi team would need in order to start the next phase of our strategic planning which is our they call it the sense making meeting where the board members and representatives from all the various groups that attended the town halls would participate in all the information that was gathered and the suggestions were gathered we will sit down and go through all the comments so we can come up with a concept paper to determine the strategy with planning assumptions behind with what we're going to do going forward the economic assumptions social technology demographics political insolvency all those will be taken into account after that meeting is done and trustees we anticipate that will be done in early may the final is the visions and goal conference where everybody gets together and see what we've outlined to put tasks and goals together with

2:01:45 target dates and any monetary costs that may be attached to anything that we want to do so we anticipate with the help of the university of the virgin islands that we should be wrapping this up by the end of may beginning of june that is the update any questions on on that board members okay um just my question for me um what's the process in terms of adopting the plan is it is a presentation to the board at some point?

2:02:38 Is that, how does it get passed from you to become an official document of the GIs? Well, the university usually present to the board. When a final document is drafted and we reviewed it, the university would come and make the presentation to the board. um if there's any um changes that have to be made obviously more input from the board we'll consider it and make the changes and after that the board will adopt it okay so that's you're looking at over may for that you said is that what i heard end of may beginning of june the latest for that okay all right i'm not sure if there's going to be a board retreat usually board retreat is in july um i don't know if we set a date as yet but um you know maybe something like this if there are issues or further discussion we could be done in the board retreat and adopted after the board retreat uh if it's not a rush if you're telling me uh may june if we say that then i would think that something like that we have more time it can be discussed in the board retreat usually held in july and um it can be adopted then and then report it out and vote in the um in the jude in the august meeting Okay. That sounds like a plan to me. We'll make that decision once we see the report.

2:04:37 Okay. And so the next item is update on the governor's request for loan program. Yes. Well, as you know, the governor had written a letter directly to me in regards to some, a few suggestions, mainly in our approach to educating members about certain things like, you know, finances and things like that. And also one item was to consider a loan program type of a participation with a financial institution.

2:05:29 We responded to him and we told him exactly what we were doing in regards to webinars and we had a partnership with AARP in regards to wills and estates and things like budgeting. And since that time, we did meet with two federal credit unions, one in St. Thomas, St. Thomas Federal Credit Union, and then the Frederickstead Federal Credit Union. They came in with a proposal to us, discussions with them, and they were interested. And we also wanted to bring in the Christian State Credit Union and also Mid-Island because there are three different credit unions in St. Croix with different responsibilities and requirements. So anyway, St. Thomas Federal Credit Union went back to their board and presented what we had presented to them or we discussed in the meeting. I'm sure I did mention to the board what we had discussed. And from what I understand, I'm waiting for a written document. Their board did not approve participating in such of a program. So when I received that document, the governor did ask that he meet with us. He said meet with you on the board, so he'd meet with us and we can discuss it at length with him at that time and whatever other information that we need to discuss with him relative to the system. um so i'm just waiting for st thomas federal credit union to give me a written report i was

2:07:23 done orally to true miss i haven't received anything and the ceo there but from what i understand the board did not approve that relationship two two questions two questions when you said they were interested what were they interested in doing and the second part of the question is um what was that was a saint thomas credit union you said show some interest was there any interest from the saint croix credit union the federal credit union yes in saint fedex said i think yes they they actually agreed it seems like um saint thomas federal credit union and fedex said mirrors each other they use the same type of platform and they they agreed there in a meeting that um jointly they had um everything we discussed they agreed to um what it was was that um the credit unions would obviously issue the loans and they were looking at no more than ten thousand dollars active members only no retirees with a payback period of probably no more than five years and GRS uh what GRS position there or what we would have to do it within that process would give them information about the members obviously um well and um also we would have to guarantee the amount of the collateral up to the amount of the loan there's five thousand we would have to set aside five thousand for the from the collateral which is their contributions it's up to ten you would have to set it aside so obviously there's a like a contingent liability

2:09:20 that if if anything happens where that member they resign and don't pay the loan at the credit union we would have to obviously the member would have to sign a document with us when they get that loan that we would have to take it out of the contribution and pay to the to the credit union that would be grs participation just guaranteeing the collateral up to the amount of that one and these would be for new loans only we wouldn't i wouldn't want to participate in any refinances and every current loan our loan program like i said the majority of those loans will be paid in by 2022 and the remainder by 2024 early 25. at some point at some point you you plan to to bring that before the board for some resolution? Well, I mean, what you have discussed with the credit union needs board approval if credit union comes on board, right? It would need board approval, yes. Okay. however since the credit union does now their board feels that they should not participate like i said i'm waiting for a league i mean a written document saying that i'm not sure if i have to come to the board now i just leave it die and report to the governor and you tell me that's the way i'm that's where i'm thinking yeah but i i thought i thought the chairman's inquiry was what was the response from the

2:11:11 frederick said credit union well well i miss miss um miss clandinen is the is the facilitator here for what i understand i didn't hear anything from the federal the frederick said credit union plus their participation would be very minimal uh they were looking at maybe five hundred thousand when the st thomas were looking at five million so if you you know so it'd be very minimal i mean i can i you know i can write to the federal credit union send them an email and ask them what their position is but i to me if they come aboard i'm not sure if we would want to i don't think the board position would be to tie up the the collateral like that because we would have to separate the collateral and put it in a separate account and the credit union was talking about having the ability to be a signatory on the account i'm not knowing i don't know if that's legal so um i can for i can check with this in the federal tech credit union to see what their position is but i'm like i said it seemed like they were jointly agreeing with each other became like a package well okay i mean before final resolution for an official response back to the governor now he wrote to you yeah but i think the assumption is that he's writing to the the system yes the official response has to come on the system via via a board vote so at some point you're going to have to make come to this to the board with some some plan or some resolution right well i can report out to the board yes i can do that i can report out to the board that there's not an interest by the credit unions to participate in this program um as far as the other educational seminars we have already been doing that and i did respond to the governor that if he had any further recommendations you know we we don't mind you know implementing them but this is what we did but in regards to the loan program i can write to the board i can show i'll get that done by next week i'll follow up but i know that st frederick said was supposed to follow up with st croix and mid-island christianstead and mid-island and um I got no response from them, but I can check with Frederickstead and see what their position is, since we lost it with them, and then get a resolution to it and submit it to the board.

2:14:17 but i got it seems to me this this this this is going to be a have to be a board decision yeah all right okay so um um we wait to see what what you what your report is and your recommendation is if any i mean right now you don't have there's nothing before us to to consider there's nothing before you on written to be considered because i'm hearing maybe i should go and check with fadrickstead separately however if i was to give you a recommendation right now i recommend that we don't participate because if they don't want if they and and i know that there were other questions within the board about the collateral and also wanting to become a signatory to our account so right now if you ask me based on the information that we got from the st thomas federal credit union which is the largest um credit union i were willing to put up a significant amount my recommendation would be no however let me do some research with said frederickstead get their position and i'll submit a written document to the board okay any other comments from any board member yes chair this is trustee dorsey um i just had a question for mr nibs for example if this this this process was to go through uh mr nibs um besides the signing of the obligation back to the system if a member defaults was there any

2:16:21 other funding that the system was going to collect in this process possibly well on the interest side of it as you know the um our interest rate was eight percent with um personal loans used to fluctuate years ago but since i've been here it's been fixed at eight percent the um federal federal credit union for secured loans their rate was four percent because of the administrative obviously there's some administrative costs to us for getting involved in this with giving them information and things like that we were requesting that they remit the charge eight percent and remit four percent to us okay so for that particular part uh the environment that we're in at this point i would suggest that when we get to that point that percentage probably go down about two percent coming back to the system and then the other thing mr nibs the governor proposed in a letter i guess to yourself uh about the loan program starting back up but being that the governor is the sponsor of the plan meaning the the system um it would seem to me the two the the governor and the first branch of government should actually find the several million dollars that's needed to put aside for the program for the credit unions and put it in a separate account, as opposed to bringing another liability to the system at this point, because each loan is just creating another layer of liability. So I don't think we should do that. I just a suggestion that whenever you get a chance to speak to the governor again, since he doesn't appear to want to speak to us, you can let him

2:18:13 know that we should look at it from the standpoint that he find a lump sum along with the Senate and put that money aside for the active and retirees and probably make the priority for the retirees at this point who are stuck on a fixed income in this pandemic environment. So that's how I would look at that. If you get a chance to speak to him, maybe he could go down that road first. The governor did not say he didn't want to speak to the board. In his letter, he said he would like to meet with you and the board. That's what his letter said. That's how we end his letter.

2:18:50 And number two, we have discussed with the senators before with the Senate funding the loan program after the board suspended it. Because as you know, Senator Gittins had brought back legislation to force us to go back into the loan program. And the board made a decision based on the fiduciary responsibility that was not feasible to do so at this time. If we did get a lump sum, I mean, a large infusion of cash, obviously the loan program was very fruitful to the system. you know we earn at least nine ten million dollars a year so but you know based on the cash flow and and the insolvency pending insolvency the board made a decision so it's not that the the the the governor didn't want to meet with the board he said you and the board so if i'm going to the governor i always invite the chairman or someone on the board well i don't know if i'm going to be invited mr nibs because i see how our meetings are moving right now so i'm saying to you mr nibs when you and the chair get to the governor because that seems to be the process just let him know that i said he needs to find the money as the sponsor of the plan because right now we're in court with him so it's like we call in the kettle black it's not even being fair to us who are here we can't even get from him what we're supposed to get every month so now he's going to send you a letter about starting up a loan program for us to take more money out of a dying sinking ship that that's not even realistic to us so it doesn't make any sense to me i just tried to make sense out of the letter it ain't making no sense i'm saying he needs to find the money with the senate he just wrote this bond refinancing article in the paper find the money give us the money to put aside so we can get this program up and running so since you mentioned senator getton's name i indicated that to senator gettons already you guys need to find the money because you find money for what you want to find it for anyway i don't see that as a

2:20:49 big issue it's not a lot of money so they could find that money please make a note mr nibs in regards to what sir find the money ask the governor to find the money with the senate to put that money aside we should not be messing with the money in the system we just got a whole financial report the man just said we had like 40 million dollars they had to take recently to pay the retirees he had to draw it out that's my take on it except this is i think as as a board we need my personal view is that if you respond as a board you need to respond to the proposal yes um you know this thing about telling the governor to find it someplace else i don't think that's that's a board response the governor's made a proposal i think our obligation is to respond to that yes or no and give the reasons why i mean i'm on the same page with you by the way uh in terms of the the board's board's position i mean starting a loan program is contrary to everything we just went through and we just heard we we we got 2 500 loans outstanding 20 almost 30 million dollars outstanding in loans if we go bankrupt in two years we we're not we we're not gonna collect those you go bankrupt before we collect that i don't understand how we start up on your own program we just heard from the from

2:22:37 the investment advisor saying that we need we our our posture is towards liquidity we're pushing all our investments to the liquid assets because we need them to draw down to meet monthly payroll i mean benefit payments so investing in five year well i guess i guess mortgage loans without the question so i i i don't see it seems to me that if a loan will have the only you'll have to have a two-year term if you're going to be solving in three years for us to back that so my that's my personal take on it so i'm not surprised that the that the the the other the credit union said board said no and i'm ready to see what in fact at the end of the day we have to make a decisions about what the board's position is going to be regards to what the credit union's position is going to be and so that is why i meant when i said that at some point before respond a response goes to the governor it has to be a board approved response so so chair are we going to do this in committee or what are we going to do we taking this to committee too i don't want to hold up the time members saying they have to leave i have a lot more to say so we're going to take this to committee well i mean that's yeah that's not something we have to discuss no because we don't have anything before us right we need to get something for mr nibs right i i think chair i think chair that we need to recommend something else to the governor outside of what's been recommended we already have our litigation cases going on we as a board can come up with something to recommend to the governor and the

2:24:26 senate okay so we when that that has to be a board decision so we will when when we come to that discussion if you have an additional recommendation if it's a board recommendation then there has to be a board a board vote on it yeah i'm saying we could do this as a board but i'll ask if we're going to do it in committee are we waiting to the next meeting next month well recommendation is if if we have Mr. Nibs give his report and his recommendation and we review it in the committee meeting. And then some point we have a board vote on it for an official board response.

2:25:22 That'd be my recommendation. Okay, so you're carrying it to a committee? Yeah. Okay, good. So, Mr. Nibs, you need to finalize your discussions and have your recommendation sent for us to review. And then we'll make a formal board response based on a board vote. we're clear yes okay okay um so next item is the executive session Chair, I would like to make a motion to move.

2:26:25 I need a point of information, Chair, before we go into the executive session. Go ahead. I just had a point of information, clarification to Attorney Smith. Attorney Smith, if you're still there, that last item, or maybe second to last item I was requesting, um was re employees who are retirees uh returning to work on a contractual basis as a consultant and then the retiree uh being paid through a third party entry so i need that as part of that document okay mr dorsey why don't we have mr dorsey why don't we have a conversation offline about this and then okay fine yeah and then we can um because i have some of the stuff you want already so let's have a conversation offline okay good thank you okay you're welcome get a motion for executive session so move second yeah yeah oh you have to say the reasons why we're going into executive session good okay um could could could you read out anything um trust smith yeah okay i make a motion to move into executive session to hear legal matters um and personal matters i was on mute i was on mute sorry about that um you said the executive session is going into legal matters and personnel matters i don't see personnel on the

2:28:26 agenda was that added on before i came on of course there's a language that we read every time oh okay i got you i got you okay okay yes trustee leiger yes trustee mcdonald absent trustee smith yes chairman barry yes five yes one absent uh before we continue we would have to remove those individuals those uh retirees and any active members yeah i'm doing that right now give me a second

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.

3x **Trustee Andre Dorsey**
heard in this transcript as: Dorsey

3x **Trustee Leona E. Smith**
heard in this transcript as: Smith

2x **Senator Kenneth L. Gittens**
heard in this transcript as: Gittins

2x **Senator Kurt VLA**
heard in this transcript as: VLA

2x **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.

Act 8132 Act 8132 · November 2018 · An Act to honor and commend the Honorable Eileen Ramona Petersen for her service to the community, to name the Virgin Islands Casino Control Commission Building in her honor, and to make an appropriation ---0

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