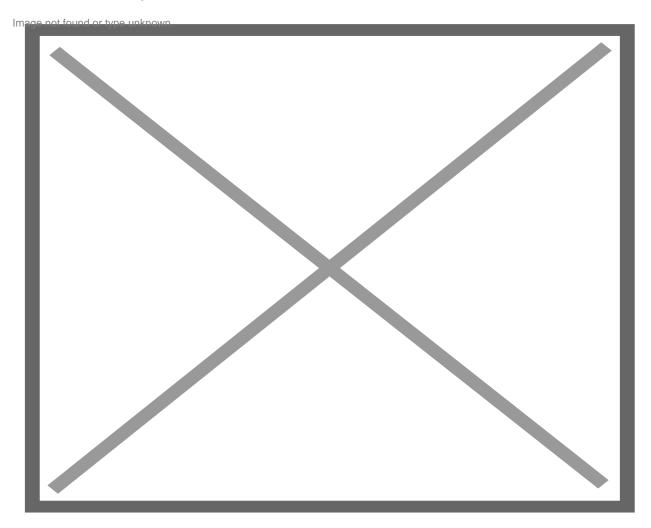
WAPA Board Member Calls Authority's Owed Employee Contributions to GERS Illegal, Pleads With WAPA to Address Matter

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"WAPA needs to do something!"

That's the call from Hurbert Turnbull, a member of the governing board of the Virgin Island Water and Power Authority. Turnbull wants management to act with urgency about outstanding payments to the Government Employees' Retirement System, and says he is uncomfortable with the current situation.

The Consortium <u>recently reported</u> on GERS's threat to pursue legal action against WAPA for the recovery of almost \$2 million owed in employee deductions and employer contributions that were never turned over to the pension system, leaving close to a hundred WAPA workers in arrears on

loans underwritten by GERS.

GERS had requested settlement on the issue over the course of 18 months, but WAPA's Executive Director Andrew Smith had replied that the authority could not meet that timetable, and countered with a proposal to pay the owed money intermittently over 36 months instead.

The WAPA board met on Wednesday, and during Mr. Smith's report, he acknowledged the outstanding debt, and informed the board that GERS was not willing to accept his proposed extended timeframe, and was insisting on an almost immediate settlement of the employee deductions, which make up the vast majority of the unpaid amount.

For his part, Turnbull described the situation as unacceptable, and told his fellow board members that his extreme discomfort stemmed from his understanding that WAPA acted illegally by deducting money from employee's wages and not remitting it to the GERS. Turnbull declared that there should be no reason that money already taken from a worker's check would not reach GERS in due course. "I think we need to stop...I think we have to do better than this," Turnbull appealed to the rest of the board.

Turnbull pushed for some immediate movement on reducing the outstanding balance, even if the entire sum could not be dealt with right away. He expressed that his fiduciary responsibility compelled him to try to do something to address the longstanding matter, and recommended a meeting between the boards of the two agencies to discuss and agree a way forward.

It is not currently clear whether or not WAPA responded to the last correspondence from GERS. The agency's outgoing CEO and Administrator, Austin Nibbs, had been instructed by his board last Friday that if no such response had been received by Monday April 25th, he was to proceed with pursuing the issue in the territory's courts. WAPA, for its part, has called an emergency meeting today, though on the agenda is a matter unrelated to the monies owed to GERS. The WAPA board will instead meeting to discuss the renewal of the following insurance policy: All Risks of Direct Physical Loss or Damage including Machinery Breakdown Insurance, excluding Named Windstorm.

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