



Newsletter

The Official Newsletter of the Cayman Islands Public Service Pensions Board



Winter 2011

news

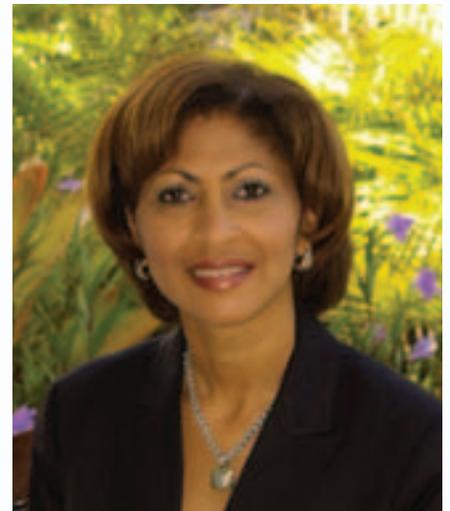
Message from the Managing Director

As we leave behind the challenges of the past year and embark on a new decade, I am privileged to once again report to you as the Managing Director of the Public Service Pensions Board (PSPB). I sincerely hope that the information provided in this edition of our newsletter is both informative and helpful, and suggestions on how to improve our publication are welcome as always.

At this time, I would like to encourage all my fellow public servants and the public in general to remain positive in the face of budget cuts and other such measures which we have all had to endure in

efficiency, as well as the quality of customer service.

In closing, I would like to urge all participants to take a deeper interest in their financial futures. The PSPB's function is to administer the Fund on your behalf as stipulated in the Public Service Pensions Law, but you ultimately own the Plan/Fund. As such, you have a right to understand the pension process and to play as active a role in securing your future as possible. Remember, if not for your own benefit, take an interest on behalf of those who depend on you and value you the most. ✨



“ Safeguarding your future financial security has never been as important as it is today, and we are committed to working with the government to ensure that your pensions are not unnecessarily affected by any measures which they may be obliged to take. ”

order to climb out of this financial crisis. As public servants, we have a unique responsibility to the people and the country as a whole, and many of us directly affect the lives of the entire population with the decisions we make on a daily basis. With that in mind, we should strive to maintain a selfless and humble approach to our work, while balancing a healthy interest in the well-being of our families and ourselves.

The main priority of the PSPB has always been taking care of our plan participants. Safeguarding your future financial security has never been as important as it is today, and we are committed to working with the government to ensure that your pensions are not unnecessarily affected by any measures which they may be obliged to take, including salary cuts. Budgetary restrictions are another measure that the government has had no choice but to implement. Despite this, the PSPB has made the firm decision to work within the budgetary boundaries while ensuring that our current level of customer service is not negatively affected. As a testament to this commitment, the PSPB is in the process of reinventing client care within the Plan Administration Department, which has already improved our overall

In This Issue

- The Current Financial Situation and How It Affects Your Pension2
- The Importance of Your Pension3
- Pensioner Profile – Mr. J. Kim Evans4

The Current Financial Situation and How It Affects Your Pension

The world has seen a number of drastic economic fluctuations over the years, and as everyone knows, we are presently experiencing a downturn. Although our small island nation has not been hit as hard as some of our global counterparts, we are still feeling the effects on our salaries and benefits. The PSPB is fully aware that participants may be concerned about how Cayman's financial situation could impact their pensions, and we plan to address those concerns in this article.

In order to manage the government-wide salary cut which took effect in the middle of last year barring a few exceptions, the government and some statutory authorities have protected their employees' accrued pension benefits. It's important to note that although several months have passed since the salary cut, there are a couple of areas which should be highlighted for consideration.

The issue of Defined Benefit (DB) funding is the main area which requires attention. The fact that the DB Plan is currently underfunded won't be making headlines any time soon since it's already a well-known fact. However, the current economic situation has manifested itself as a new obstacle in the path to inserting sufficient funds into the Plan. Due to the deficit faced by the Cayman Islands, it would be unreasonable to expect

any significant efforts to be made towards meeting funding requirements at this time. Assuming that the measures being taken to pull the country out of debt are successful, the underfunding of the DB Plan is expected to be readdressed by the government once the country's finances are in order.

Defined Contribution (DC) participants, on the other hand, will not face the same problem that DB participants do. As long as the current levels of contribution remain the same, the only change that DC participants

might see would be if there is a change in the Fund's investment strategy. This would occur if it was decided during regular assessments that a change would at least protect current levels of return, if not increase them.

While the situation could certainly be more favourable, it could also quite easily be much more dire than it is. Both DB and DC participants should be positive about the measures being taken to deal with the national deficit. Staying informed regarding pensions by setting up an appointment with a Plan administrator at the PSPB is also recommended for any participant with questions or concerns. ✨

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The Importance of Your Pension

While the cost of living seems to be skyrocketing by the second and the term “job security” sounds more like a fantasy than a tangible goal, saving for the future is moving further back on our list of priorities. There is a serious temptation to find a way to withdraw from the funds that have been accumulating in your pension account over the last 5, 10 or maybe even 20 years.

“Live for today because tomorrow isn’t promised” used to be a popular mantra for many between the ages of 18 and 25. You worked hard and took full advantage of leisure time to relax and enjoy life. Then, one morning you wake up at 3 a.m. and your newborn is crying and your spouse is in a deep sleep. This situation represents a critical reality check that many people experience at some point in their lives, and one that brings the importance of a pension into perspective.

Depending on how much emphasis you have put on your pension up to that point, you may react in one of two ways.

Reaction #1: You stumble out of bed grumbling to yourself about how there is no way you’re going to be able to stay awake at

grumbling to yourself about how there is no way you’re going to be able to stay awake at work today. You gently pick up your baby to feed and rock it back to sleep. Once you’re back in bed, you take a deep breath and think to yourself, do I have enough put away to take care of my family if something happens to me? Will I be able to take care of my spouse when we retire, or will we have to rely on our kids to take care of us financially? You stay awake wondering.

“ Having a pension provides you with the peace of mind which helps make sleep possible, even in the face of economic uncertainty and a substantial national deficit. ”

work today. You gently pick up your baby to feed and rock it back to sleep. Once you’re back in bed, you take a deep breath and think to yourself, it’s good to know I’ve secured myself and my family for the future, especially in the event that something happens to me. You fall asleep right away.

Reaction #2: You stumble out of bed

Having a pension provides you with the peace of mind which helps make sleep possible, even in the face of economic uncertainty and a substantial national deficit. We should throw out the old mantra and adopt a new one that implores us to change what we can and accept what we can’t. We can’t change the fact that this country has run into financial troubles, but we can change how we manage our finances and prepare for the future. ✨



Photo courtesy of Allen Shankar C. Ebanks

Pensioner Profile

Mr. J. Kim Evans
*Retired Detective Inspector
Royal Cayman Islands Police
Service*

By Beth Cheng

When Mr. J. Kim Evans was a lad in Cayman, he was precocious and soon discovered that inquisitiveness, stability and discipline could take him far. He recounts, "I originally wanted to enter the Army, but since it was not a possibility on Cayman, I went to the Police Academy and joined the Royal Cayman Islands Police Service (RCIPS) right out of high school." This was how Mr. Evans began his tenure of 23 years with the RCIPS which began in August 1986 and ended in January 2010 with his retirement.

As you can imagine, a lot can happen in 23 years, and Mr. Evans definitely has made his mark on the Crime Investigation Department of the RCIPS. When asked what he was responsible for in the Crime Investigation Department, Mr. Evans quips, "What didn't I do?" He was instrumental in creating the Juvenile Bureau, which has since been amalgamated with the Family Support Unit. He also created the Crime

Desk, which is the Islands' equivalent of 911 for responding to emergency situations. As Mr. Evans was steadily promoted through the ranks, he took on more of an administrative role. Management of Criminal Records paved the way for his becoming the Lead Trainer for Network Use of the Overseas Territories Regional Criminal Intelligence System (OTRCIS). OTRCIS is a database system that Cayman has been using since the mid-1990s to share information about criminal activities with other jurisdictions who are network members. Network members include Miami, Anguilla, the British Virgin Islands, the Cayman Islands, the Turks and Caicos, Montserrat, Trinidad and Tobago, Barbados and, most recently, Belize. In 2005, as Detective Inspector, Mr. Evans received the Colonial Police Long Service Medal for 18 years of distinguished service.

When asked what he's found most rewarding about working for the RCIPS, Mr. Evans replies, "It's the young people who have kept me going. I did counseling in the Juvenile Bureau and I saw lives transformed." The Detective Inspector is also an Assistant Pastor with the Red Bay Church of God



Holiness, a post he has held since 1992 after serving as Youth Pastor. As Assistant Pastor, Reverend Evans is active in evangelism and is currently adding to his body of knowledge by participating in online biblical studies.

The son of a retired firefighter and a housewife, Mr. Evans has a family of his own with wife Josephine and their two daughters, 22-year-old Marticia and 16-year-old Martika. The tradition of public service continues in the family with Marticia currently working as one of the supervisors at the Crime Desk while attending university.

Retirement for Mr. Evans means more time to finish a business administration degree, more time to spend with his family, more time to go fishing and more time to devote to cooking. His specialty is turtle meat, and if you can find the time to drop by, his door is always open and you'll never know what delicious dish he'll have waiting on the stove for you! ✨



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