

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
OF THE VIRGIN ISLANDS  
REGULAR MEETING OF THE BOARD OF TRUSTEES**

**St. Thomas/St. Croix via Zoom  
Thursday, April 22, 2021  
9:30 am**

**\*\* AGENDA \*\***

- I. Call to Order
- II. Roll Call
- III. Comments and Suggestions from Retirees
- IV. Comments and Suggestions from Active Members
- V. Secretary's Minutes (Regular: 03/25/21; Special: 04/14/21)
- V. Communications and Correspondences
- VI. Chairperson's Report
- VII. Administrator's Report
- VIII. Committee Reports
- IX. Treasurer's Report
- X. Investment Officer's Report (Presented by Meketa)
- XI. REGULAR SESSION
  - A. Unfinished Business
    - (i). Update on Strategic Plan
    - (ii). Update on Governor's Request Re: Loan Program
- XII. **EXECUTIVE SESSION**

***This portion of the meeting will be closed to the public for matters pertaining to trade secrets / or financial or commercial information/ or personal/ or legal matters; or matters whose premature disclosure will frustrate the implementation of the proposed agency action.***

  - A. Unfinished Business
    - (i). Update on Havensight Mall
- XIII. Privileges of the Floor
- XIV. Adjournment

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

The Regular Meeting of the Board of Trustees for April 22, 2021 was called to order at 9:35a.m. The meeting was held via Zoom. At roll call, Trustees present were Callwood, Clendinen (ex-officio) Liger, Smith, and Bowry. Trustees McDonald and Dorsey were absent during roll call. Trustee Dorsey joined the meeting at 9:45a.m.

Staff in attendance: Austin Nibbs, Administrator, Cathy Smith, General Counsel, Ishmael Meyers, Deputy General Counsel, Denise Jeremiah, CFO, Asiah Clendinen Gumbs, Acting COO, Chief of Security – Havensight Mall, Roy Moorehead Jr., Sakeeda Freeman, Communication Specialist, Zaida Castro, Executive Assistant to the Administrator, and Nikia Coley, Administrative Assistant to the Board of Trustees

Also, present in the meeting were Pedro Williams, Board Counsel, Kelsha Williams, Attorney in the Office of Pedro Williams, Leandro Festino of Meketa Investment Group, Inc.,

Actives/Retirees present in the meeting were Aqainnette Chinnery, Mary Roebuck, Eric Christian, Shelly DeWese, Roy Moorehead, Allison Ritter, Sandra (No Last Name), Ronald Russell, Janet Archer, Evet Rivera, and Charlene Jones

## **Comments and Suggestions from Retirees**

The zoom link for the Regular Board meeting was advertised on various media. Retirees requested for documents to be shared on the screen.

## **Comments and Suggestions from Active Members**

None .

## **Secretary's Minutes**

### Correction to April 22, 2021 Minutes

On page 2, include heading to identify and separate Chairman's Report and Administrator's Report.

A motion was made by Trustee Callwood and seconded by Trustee Liger to approve the Secretary minutes for the April 22, 2021 Regular Board meeting with corrections. The motion passed with 3 yes (Callwood, Liger, Bowry,); 1 not voting (Dorsey), 1 abstained (Smith), and 1 absent (McDonald)

A motion was made by Trustee Callwood and seconded by Trustee Smith to approve the Special Board meeting minutes for the April 14, 2021. The motion passed with 4 yes (Callwood, Liger, Smith, Bowry,); 1 not voting (Dorsey), and 1 absent (McDonald).

## **Communications and Correspondences**

On April 20, 2021 Administrator Nibbs sent notice to Member Service Unit new process of billing for missing employer contributions.

On April 20, 2021 Administrator Nibbs sent notice of reminder to Heads of Departments, Agencies, and Instrumentalities of GVI regarding Return to Work / Act. No. 8029 and the monitoring guide.

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

On April 21, 2021 Administrator Nibbs replied to the Virgin Islands Casino Control Building regarding the implementation of Act No. 8132 and approved the erection of a sign on the premises with the words "Eileen Ramona Petersen Casino Control Commission Building".

A motion was made by Trustee Dorsey to address the language of Act. No. 8029 relating to the section Legal Double Dipping from members of the first branch of government and employees that are able to come back on second and third-party contracts. Administrator Nibbs recommended to the Board that it may be better to present the motion as a new business during regular session. Therefore, Chairman Bowry declares that motion dies due to lack of second motion.

Trustee Dorsey recommended a motion to reorder the agenda to move the item "Update on Havensight Mall" under Executive Session to Regular Session. Administrator Nibbs recommended to the Board to reconsider not making changes to the agenda because of legal matters to be discussed at Executive Session. Chairman Bowry declares that motion dies due to lack of second motion.

## **Chairman Bowry's Report**

Chairman Bowry reported: (1) Attended the Sub-Committee work session of the Legislature Finance Committee on April 16, 2021, chaired by Senator Vialet. A second working session will be announced which purpose is to discuss various analysis of the System with the sub-committee.

## **Administrator's Report**

March 29<sup>th</sup> – Met with Havensight Mall Oversight Committee and Management Re: Generators for Havensight Mall.

April 6<sup>th</sup> – Met with CFO and General Counsel, and Segal Re: ADEC.

7<sup>th</sup> - Met with General Counsel/Deputy General Counsel and Director of Member Services  
Re: Discussion on status of Returned to Work cases.

8<sup>th</sup> - Met with Acting COO Re: Update on Reduction in Force (RIF) program, STX Retiree Election, and New Trustee Orientation.

14<sup>th</sup> - Attended Special Board Meeting  
Attended meeting with Board counsel, System's counsels, and WICO attorney to review and finalize outstanding MOUs.

16<sup>th</sup> - Attended GERS Subcommittee hearing on GERS Solvency.

19<sup>th</sup> - Attended Joint Havensight Mall Oversight Committee/Management meeting  
Met with Acting COO on various outstanding infrastructure projects.

21<sup>st</sup> - Met with Senior Staff.

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

**April 22, 2021**

## Member Services

### Retirement Applications - as of April 30, 2021

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
STX	147	111	118	178	143	113	31	
STT	<u>147</u>	<u>164</u>	<u>127</u>	<u>224</u>	<u>172</u>	<u>123</u>	<u>35</u>	
Total	294	275	245	402	315	236	66	
Processed	<u>293</u>	<u>274</u>	<u>245</u>	<u>399</u>	<u>310</u>	<u>163</u>	<u>4</u>	
Remaining	<u>1</u> 99%	<u>1</u> 99%	<u>0</u> 100%	<u>3</u> 99%	<u>5</u> 98%	<u>73</u> 69%	<u>62</u> 6%	<u>145*</u>

### Disability Life Certificates – As of March 31, 2021

#### 2020 Duty/Non-Duty Disability Life Certificate Distribution

71	U.S. Mainland 160
	– Virgin Islands
200	Validated
0	Benefits Suspended
3	Deceased
28	Receipt of Life Certificate Pending
<b>231</b>	

231 (Initial letters were dated 2/20/2020 with 3/20/2020 response deadline.)

Benefits Suspended = Address is changed to GERS and annuity checks are held by GERS until **either** a validated Life Certificate **or** a Death Certificate is received.

### October 1, 2020 – March 31, 2021

#### Refunds

	No. Cases <u>Completed</u>	Total <u>Amount</u>	No. Cases <u>Pending</u>
Regular	171	\$2,998,042.54	44
Erroneous	9	15,855.27	3
Employer Share	3	4,209.09	0
Overpayment	<u>69</u>	<u>240,027.31</u>	<u>3</u>
Total	<u>252</u>	<u>\$3,258,134.21</u>	<u>50</u>

#### Death Benefits

Types	No. Completed <u>10/1/20-03/31/2021</u>	Amount <u>10/1/20-03/31/2021</u>	No. of Cases to <u>be Completed</u>
Active	16	\$868,758.24	53
Retired	<u>7</u>	<u>394,603.61</u>	<u>24</u>
Total	<u>23</u>	<u>\$ 1,263,361.85</u>	<u>77</u>

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
MINUTES BOARD OF TRUSTEES REGULAR MEETING**

**April 22, 2021**

**Annuity Payments – April 15, 2021**

Number of retirees as of April 15, 2021 payroll: **8,667**

Total amount paid to retirees and pensioners - October 1, 2020 – April 15, 2021

**\$139,434,848.51**

Number of retirees added to payroll - October 1, 2020 – April 15, 2021: **123**

Number of retirees added to the payroll for April 15, 2021 pay date. **20**

Number of retirees expected to be placed on payroll for April 30, 2021 pay date: **31**

Number of retirees deleted from payroll - October 1, 2020 through April 15, 2021: **155**

**Note:**

The gross retiree payroll for pay date April 15, 2021 was **\$10,736,207.88**

Active employees – March 2021 – 8,771.

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
MINUTES BOARD OF TRUSTEES REGULAR MEETING**

**April 22, 2021**

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

**LOAN PORTFOLIO**

**UNITS**

<b>PERSONAL LOANS</b>	<b>DATE</b>		
	<b>3/31/2021</b>	<b>STT</b>	<b>STX</b>
Active Personal Loans	1665	884	781
Retiree Personal Loans	790	454	336
Auto Loans	0	0	0
	<b>2455</b>	1338	1117
<b>MORTGAGES</b>			
Construction/Home Improvement	21	11	10
Land	30	24	6
Purchase/Refinance	35	24	11
Totals	<b>86</b>	59	27
<b>TOTAL LOANS &amp; MORTGAGES</b>	<b>2,541</b>	<b>1,397</b>	<b>1,144</b>

**TOTAL  
OUTSTANDING**

		<b>Total</b>	<b>STT</b>	<b>STX</b>
<b>March 2021</b>				
Active PL	-	\$ 16,172,238.97	\$ 9,212,953.06	\$ 6,959,285.91
Retiree PL	-	8,916,545.12	5,100,114.49	3,816,430.63
Auto PL	-	-	-	-
Purchase/Refi	-	1,737,519.95	1,146,981.13	590,538.82
Construction	-	2,196,503.32	1,309,254.63	887,248.69
Land Loans	-	599,678.39	542,148.95	57,529.44
<b>GRAND TOTAL</b>		<b>\$ 29,622,485.75</b>	<b>\$ 17,311,452.26</b>	<b>\$ 12,311,033.49</b>

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

## Operations

### St. Croix Office Complex

#### Safety:

- Fire protection System Inspection was completed on March 30, 2021. Report received from Quick Response.

#### Projects:

- Security Doors Installation:  
This project is pending final electrical connection on the security locks.
- Landscape project 95% complete.

### St. Thomas Office Complex

#### Roof Repairs

- Northern Roof Repairs completed. Architect approved with as 20-year warranty received.

#### Projects:

##### Air Conditioner Project

##### VAV (Variable Air Volume) Installation and the Cleaning of Ducts

- The installation of the VAVs is completed. Electrical connection pending.
- All the ducts throughout the building are cleaned.
- Permanent water chiller lines are being installed from 4-13-2021 to 4-23-2021.
- Electrical work on second chiller completed

##### Next Steps in Air Conditioner Project

- Dismantle old air handlers and install new air handlers.
- Connect VAVs.
- Install Central Air Control System
- Redesign as necessary (diffusers and returns) to ensure proper air flow throughout the building.
- Anticipated project completion date – June 2021

### OTHER ONGOING CAPITAL PROJECTS

- **Lobby/Atrium/ Restrooms Renovations** – Contract signed, and the GERS received designs/drawings.
- **GERS Hip Roof Replacement** –Contract signed. GERS is awaiting designs/drawings.

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

**April 22, 2021**

## Rental and Electricity Collections – Exhibit A

	<b>March. 2021</b>	Total FYTD	Arrearages
Rental	\$301,171.61	\$436,292.01	\$37,063.00
Electric	<u>225,554.33</u>	<u>235,555.16</u>	<u>163,674.88</u>
Total	<u>\$526,725.94</u>	<u>\$671,847.17</u>	<u>\$200,737.88</u>

The payment for the VI Housing Finance Authority has been received. Additionally, a payment in the amount of \$137,000 for DOJ's electricity was sent to Finance for processing and the justification letter for the \$37,063.00 rental payment was sent to the Commissioner of Property and Procurement for signature to authorize payment.

### LEASES

*Lease Agreements (Board voted for one-year lease terms only; letter sent to tenants pending lease agreements)*

**Division of Personnel** – Met with Property and Procurement; Sent the Draft One-Year Lease effective 10- 1-2020 to 9-30-2021 with CAM charges. Meeting was held to negotiate one-year lease. Awaiting signatures UPDATE: Lease is at DOP to sign as of March 15, 2021. DOP in talk with Property and Procurement for finalization. **April Update: Lease Pending Signatures.**

**Department of Justice** – Met with Property and Procurement; Sent the Draft One-Year Lease effective 10- 1-2020 to 9-30-2021 with CAM charges. Sent follow up email to secure dates on February 10, 2021 and February 17, 2021 to negotiate one-year lease for 10-1-2021 to 9-30-2022. UPDATE: Meeting scheduled for March 23, 2021 (tentatively) for lease review. **April Update: DOJ Lease Negotiations took place on March 23, 2021. Pending language suggestions (DOJ), however, the DOJ has objections and would like consideration for a longer lease. The main reason for the objection is the pending renovations/improvement to their space- floors (from carpet to tile)– walls, and doors which are fixtures and increases the overall value of the building. Their planned investment is upwards of \$800K.**

**Casino Control Commission** – Letter sent and received about a one-year term only. Follow up email sent to the VICCC. The Commission responded with an emailed letter questioning a one-year lease agreement notification while still in active negotiation with a five-year lease term. GERS responded with new meeting date of February 23, 2021.UPDATE: GERS Met with VICCC on March 4, 2021. Waiting on VICCC to agree/disagree on suggested language. **April Update: Received the language suggestions from VICCC, lease, GERS finalizing to accept the language proposal.**

### **Building Appraisals**

**Appraisals – Still pending**

**Appraisal's completion anticipated by April 30, 2021.**

### **ST. CROIX RETIREE TRUSTEE BOARD ELECTIONS**

New election cycle begins April 21, 2021- May 12, 2021.



# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

## STRATEGIC PLANNING AND ORGANIZATION DEVELOPMENT OFFICER

*April 12, 2021 - Forwarded documents and reports to the team at UVI*

**Governor and Legislature (To be scheduled)**

### **RIF Program**

- Nine (9) employees submitted intent to voluntarily separate under the Voluntary Reduction in Force Program (RIF).
- Currently four (4) individuals have accepted the terms of the RIF program and are scheduled to separate; One (1) employee March 31, 2021 and three (3) employees as of May 31, 2021.
- Moreover, one (1) employee denied the terms of the RIF program and has opted to stay on as a GERS employee.
- Moreover three (3) employees were found to be ineligible as the positions in which they hold are essential and will not be deleted from the budget (GERS may reconsider the two employees initially denied).
- One (1) employee will be offered a contract.

### **EMPLOYEE OF THE YEAR for 2020**

- Henito Donovan, Messenger - St. Thomas office
- Shemika Nathaniel, Benefits Analyst - St Croix office

### **BONUSES FOR USW AND EXEMPT HAVENSIGHT MALL**

GERS payroll has processed bonuses for employees governed by the USW union to included employees working on St. Thomas, St Croix and the Havensight location, meeting all required requirements according to CBA. Exempt employees working at Havensight according to the approved budget by the GERS Board of Trustee for Fiscal Year 2021.

### **FEMA/INSURANCE**

GERS responded to FEMA to continue the process of obtaining the Warehouse 428 monies. The GERS can withdraw at any time.

### **Committee Reports**

- (a) Investment Committee – Chairman Bowry - No Report. (b). Development Committee -- Trustee Leona Smith – No Report (c). Medical Committee Report –No Report (d). Budget Committee – Trustee Bowry – No Report. Policy Committee – No Report.

### **Treasurer's Report**

Denise Jeremiah, CFO read the Treasurer's Report for the System for March 31, 2021 into the record. Total Collections for March 31, 2021 is \$14.2M and FYTD is \$84.7M and Total Disbursements for March 31, 2021 is \$24.2M and FYTD is \$143.4M; a Net Cash Deficit of \$9.9M and FYTD is \$58.7M.

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

Denise Jeremiah, CFO, read the Financial Report for the Havensight Mall for March 31, 2021 into the record.

Total Collections for March 31, 2021 is \$175,847 and FYTD is \$1,300,954 and Total Disbursements for March 31, 2021; \$343,869 and FYTD is \$1,752,147 and a Net Cash Deficit of \$168,022 and FYTD is \$451,194.

A narrative was included on both reports explaining the cashflow of the System as requested by Chairman Bowry.

Trustee Dorsey presented a recommendation to the Board for a motion to address Havensight Mall projects, alternative investments and other capital projects, under the Development Committee, prior to the general meeting. Administrator Nibbs recommended that issues can be discussed with the Investment Committee which is comprised of all Board members and various projects that the Board already approved for the Havensight Mall. Chairman Bowry agreed with Administrator Nibbs.

A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept the Treasurer's Report for March 31, 2021. The motion passed with 5 yes (Callwood, Dorsey, Liger, Smith, and Bowry); and 1 absent (McDonald).

## **Investment Officer's Report**

Meketa Investment Group made a presentation to the to the Board of Trustees which excludes local assets. The topic discussed was the performance review as of March 31, 2021.

Cash Flow summary FYTD (through March 31, 2021, a Beginning Market Value of \$463.1M, Contributions of \$125.9M, Withdrawals of \$165.9M, Net Investment Change of \$4.1M, and an Ending Market Value of \$427.2M.

Asset Allocations:

Total Equity - 0%

Total Fixed Income – 69%

Alternative Investments Assets - 3%

Cash - 28%

Trustee Dorsey requested from Meketa Group to add a category of the Cash Flow Analysis Fiscal YTD projections of the actual cash drawdowns for retirees for the quarter and year to date.

## **Regular Session**

Trustee Dorsey requested to Chairman Bowry to add to the agenda under Regular Session as New Business an item to address the language of Act. No. 8029 relating to Legal Double Dipping and to close some of the loopholes of second and/or third-party contract issues. After some discussion, the motion was pulled back and the topic will be discussed within a Board committee, and the General Counsel will provide drafted language addressing second and/or third-party contracts, and develop

# GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

April 22, 2021

language for exceptions of legal double dipping, to include judges and professors that fall under the category of Act 8439 such as the University of the Virgin Islands.

## A. Unfinished Business

### i. Update on Strategic Planning

Administrator Nibbs requested the Acting Chief Operating Officer Asiah Clendinen Gumbs to give an update. She stated that GERS has entered into a Memorandum of Agreement with the University of the Virgin Islands to work on the Systems Collaborative Strategic Plan 2021-2025. Townhall meetings were organized and conducted with various, stakeholders, communities and organizations. Upcoming meetings will occur with the Governor and the Legislature. The team is creating a document recording the comments and suggestions and listing strategies and assumptions in the political, social, insolvency, technical, and economic arena. A Vision and Goals conference will be organized in the near future. The target date to complete the Strategic Plan is on or about the ending of May or the beginning of June. Administrator Nibbs recommended to the Board that a presentation of the Strategic Plan should be done during the Board Retreat.

### ii. Update on Governor's Request Re: Loan Program.

GERS representatives met with the Federal Credit Union on St. Thomas, Frederiksted and Christiansted St. Croix. The St. Thomas Federal Credit Union approached their Board with the System's proposals and it was denied. Administrator Nibbs is awaiting a written notice from the St. Thomas Federal Credit Union Board of their final decision. The credit unions requested that they be the entity to issue the loans of no more than \$10,000 for active members only with a pay back period of no more than five years. GERS would have to guarantee the amounts of the collateral up to the amount of the active member loan. This program will be to issue new loans only. Administrator Nibbs will finalize conversations with the Federal Credit unions, give a report and a recommendation for the Board to review and make a final decision before reporting to Governor Bryan.

## Regular Session

A motion was made by Trustee Smith and seconded by Trustee Callwood to go into Executive Session. The motion passed with 5 yes (Callwood, Dorsey, Liger, Smith, and Bowry); and 1 absent (McDonald). **This portion of the meeting will be closed to the public for matters pertaining to trade secrets / or financial or commercial information.**

## Executive Session

A motion was made by Trustee Smith and seconded by Trustee Callwood to extend the deferment for cruise ship dependent tenants at Havensight Mall to June 30, 2021. The motion passed with 4 yes (Callwood, Dorsey, Liger, Smith, and Bowry); 1 not voting (Dorsey), and 1 absent (McDonald).

A motion was made by Trustee Dorsey and seconded by Trustee Smith to come out of Executive Session. The motion passed with 4 yes (Callwood, Dorsey, Smith, and Bowry), and 2 absent (Liger and McDonald).

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
MINUTES BOARD OF TRUSTEES REGULAR MEETING**

**April 22, 2021**

**Privileges of the Floor**

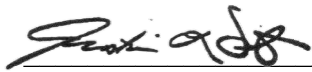
None.

**Adjournment**

A motion was made by Trustee Callwood and seconded by Trustee Smith to adjourn the meeting. The motion passed with 4 yes (Callwood, Dorsey, Smith, and Bowry), and 2 absent (Liger and McDonald).

The meeting adjourned at approximately 1:04p.m.

The minutes for the Regular Session were transcribed from the zoom recording by Zaida Castro, Executive Assistant to the Administrator, and reviewed and approved by the Secretary of the Board.



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Austin L. Nibbs, CPA, CGMA

Administrator/CEO

Secretary, GERS Board of Trustees