

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

**St. Thomas/St. Croix
Tuesday, December 19, 2023
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: 10/26/23)
- VI. Communications and Correspondences
- VII. Chairperson's Report
- VIII. Administrator's Report
- IX. Committee Reports
- X. Treasurer's Report
- XI. Investment Officer's Report
- XII. REGULAR SESSION

- A. New Business
 - (i). 2024 Board Meeting Calendar
 - (ii). Bill No. 35-0196 Discussion

XIII. 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). VI Finest Foods Update
- B. New Business
 - (i). Disability Application Discussion
- XIV. Privileges of the Floor
- XV. Adjournment

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

December 19, 2023

The Regular Meeting of the Board of Trustees for December 19, 2023, was called to order by 9:35a.m. At roll call, Trustees present were Bowry, Liger, Smith, and Callwood. The meeting was held via Zoom. Trustees not present during roll call were Dorsey, Russell (Absent) and Ex-Officio Richardson (excused) and a quorum was established with 4 voting Trustees present. Administrator Dawon received notice of excused absence from ex-officio Cindy Richardson. Instead, Ms. Florine Hassell attended on Ex-officio member, Director Cindy Richardson behalf who was out of the territory.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Acting General Counsel, Ishmael Meyers, Denise Jeremiah, Chief Financial Officer, Asiah Clendinen Gumbs, COO, Glenville Henderson, Investment Analysts, Dannica Thomas, Director, Communications, Engagement & Organizational Effectiveness, Sakeeda Figueroa, Communication and Member Education Specialists, LeSean Moses, IT, Zaida Castro, Executive Assistant to the Administrator, Nikia Coley, Administrative Assistant to the Board

Also, present in the meeting was Pedro K. Williams, Board Counsel

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

None

Secretary's Minutes (Special Board Meeting): 10/26/2023)

A motion was made by Trustee Smith to accept the minutes of October 26, 2023, and seconded by Trustee Bowry. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood) and 2 Absent (Dorsey and Russell)

Communication and Correspondences

None

Chairman's Report

None

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

December 19, 2023

Meetings, Presentations, and Appearances

October 24 – 25	V3 Migration Assessment Sessions
October 25	Meeting with various counsel regarding legal matter
October 26	GERS Board of Trustees Regular and Executive Meetings
October 27	V3 Migration Assessment Meeting
November 3	Planning Meeting with IDEAS
November 7 – 8	V3 Migration Assessment Sessions
November 12 -14	Caribbean Hotel Investment Conference (Westin – St. Thomas)
November 13 – 17	IDEAS working visit to St. Thomas (Various Sessions: Tours, Culture Mapping, StoryJam, “Hot Wash” Meeting with HMOC, etc.)
November 29	Meeting with Senator Bolques and Segal regarding proposed legislation
December 1	Meeting with various counsel regarding legal matter
December 4	Meeting with Senator Potter regarding proposed legislation
December 12	Retiree Holiday Social – St. Croix
December 14	Retiree Holiday Social – St. Thomas
December 15	HMOC Meeting

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

December 19, 2023

Member Services

Retirement Applications - as of December 15, 2023

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
STX	147	111	118	177	143	114	165	141	124	16	
STT	<u>147</u>	<u>164</u>	<u>127</u>	<u>224</u>	<u>172</u>	<u>126</u>	<u>178</u>	<u>184</u>	<u>131</u>	3	
Total	294	275	245	401	315	240	343	325	255	19	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>341</u>	<u>320</u>	<u>142</u>	0	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>5</u>	<u>113</u>	<u>19</u>	<u>140*</u>
% Completed	99%	100%	100%	100%	100%	100%	99%	98%	56%	0%	

Compliance and Control - Contribution Processing October 1, 2023 – November 30, 2023

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. of Cases Pending</u>
Regular	68	\$1,228,911.01	22
Erroneous	1	1,269.24	7
Employer Share	0	0.00	3
Overpayment	<u>67</u>	<u>\$ 149,187.55</u>	<u>0</u>
Total	<u>136</u>	<u>\$1,379,367.80</u>	<u>32</u>

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/23-11/30/2023</u>	<u>Amount 10/1/23-11/30/2023</u>	<u>No. of Cases Pending</u>
Active	6	\$ 338,888.04	41
Retired	<u>1</u>	<u>66,735.49</u>	<u>5</u>
Total	<u>7</u>	<u>\$ 405,623.53</u>	<u>46</u>

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

December 19, 2023

Accounting Department

Annuity Payments

No. of retirees as of December 15, 2023, payroll: **8777**

Cumulative dollar paid out from October 1, 2023 – December 15, 2023

700	Pensioners	\$0.00	
702	Service Retirement Annuities	54,495,366.27	
703	Survivors' Annuities	343,494.04	
704	Duty-Connected Death Annuities	534.05	
705	Duty-Connected Disability Annuities	653,785.41	
706	Non-Duty Disability Annuities	323,285.85	
	Totals		11,154,219.09

Number of retirees added to payroll from October 1, 2023 – December 15, 2023. **80**

Number of retirees added to the payroll for the December 15, 2023, pay date. **19**

Number of retirees expected to be placed on payroll for December 31, 2023, pay date: **15**

Number of retirees deleted from payroll from October 1, 2023, through December 15, 2023: **63**

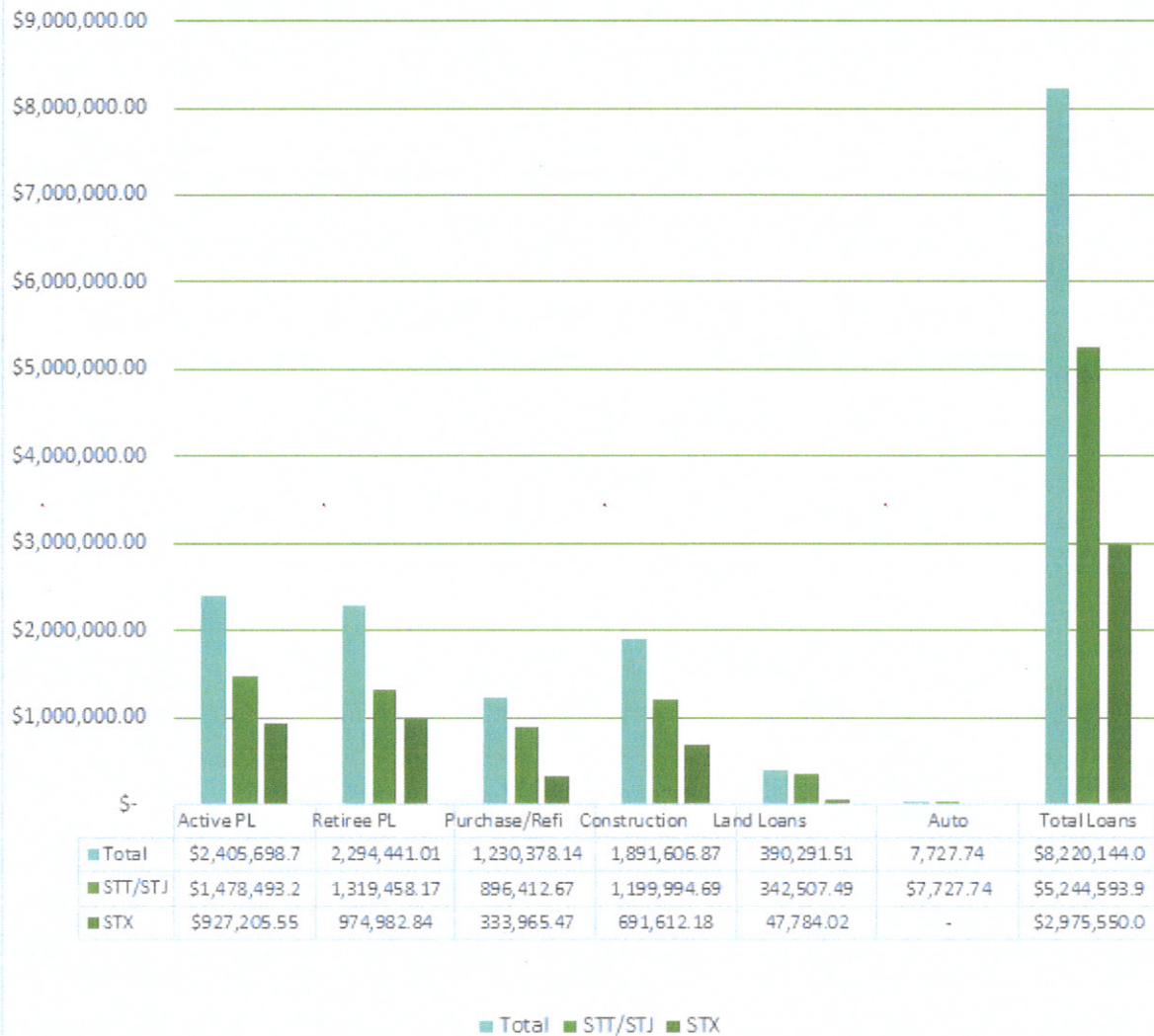
Note: As of 12/15/23 payroll, the Gross Retiree Payroll has arrived at **\$ 11,194,350.73**

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

December 19, 2023

LOAN SERVICING MONTHLY REPORT NOVEMBER 2023

GERS LOAN PORTFOLIO NOVEMBER 2023



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

December 19, 2023

UNITS

PERSONAL LOANS			
	DATE		
	11/30/2023	STT/STJ	STX
Active Personal Loans	324	194	130
Retiree Personal Loans	403	228	175
Total	727	422	305
MORTGAGES			
Construction/Home Improvement	20	12	8
Land	24	20	4
Purchase/Refinance	28	20	8
Auto Loan	1	1	0
	<u>73</u>	<u>53</u>	<u>20</u>

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

December 19, 2023

Operations

St. Croix Office Complex

No major issues other than ongoing maintenance.

St. Thomas Office Complex

No major issues other than ongoing maintenance.

PROJECTS PENDING:

- In-Process: Complete the sanding and spraying of the window trims on the west side first floor.
- In-Process: Strip the excess wax on lobby floors and corridors.
- In-Process: Power wash covered parking ceiling.
- In-Process: Adcon Environmental cleaning, disinfecting, and sanitizing all GERS occupied spaces after results from mold testing.

UPCOMING:

- Fill potholes in covered parking areas
- Touch up paint on the exterior

Human Resources

On-Boarding: Dannica L. Thomas, Director, Communications, Engagement & Organizational Effective

Starting Date: December 4, 2023



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

December 19, 2023

Havensight Mall

Demolition of Warehouse 5 began and 5 remaining and 4 are scheduled for completion by January 2024.

Warehouse J completed. Awaiting occupancy permit. Tenants are preparing to move so that demolition can be completed.

Hotel Development

All piles are driven and completed. A meeting with WAPA is scheduled shortly to determine the main water line. Additional equipment is due to be delivered to the site by January 2024 once demolition is completed. Major plumbing and electrical groundwork to begin.

Havensight mall Strategic and Infrastructure Plan – RFP

IDEAS - Follow up session and transmittal of documents by December 30, 2023

Havensight Mall Waterline Replacement and Rehabilitation – Engineering Design Services - RFQ

Drawings in progress. Design Criteria sent to WAPA for comments. Engineers requested a Master water usage report. Meeting with Elipse Engineering scheduled for Wednesday, December 13, 2023.

Office Buildings Rental and Electricity Collections – Exhibit A

	<u>November 2023</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$8,459.33	\$257,237.50	\$56,077.08
Electric	<u>928.82</u>	<u>117,484.77</u>	\$37,099.63
Total	<u>\$9,388.15</u>	<u>\$374,722.27</u>	<u>\$93,176.71</u>

LEASES

VIPD - January 2024 lease commencement date.

Casino Control Commission - Lease Negotiations continue.

Department of Justice – Property and Procurement is awaiting the new fiscal year budget to come online for DOJ to process the additional Purchase orders required.

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

December 19, 2023

RENTAL – EXHIBIT A

	November 2023 Collection						
	Rental Collection	Electrical Collection	Rental Year-To- Date Collection for FY 2024	Electrical Year-To- Date Collection for FY 2024	Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage
Department of Justice			\$ 148,252.00	\$ 116,195.23	\$ 264,447.23	\$ 37,063.00	\$ 33,135.27
Division of Personnel			83,085.12		83,085.12	19,014.08	3,964.36
FirstBank	290.20	128.03	580.40	488.75	1,069.15	-	-
Ophthalmology Consultants, LLC	6,365.40		12,730.80		12,730.80	-	-
Plessen Eye, LLC_ADMIN			4,009.28		4,009.28	-	-
Plessen Eye, LLC_ADMIN STORAGE			580.00		580.00	-	-
Plessen Eye, LLC_ASC			4,392.44		4,392.44	-	-
Equus Workforce Solution	1,803.73	800.79	3,607.46	800.79	4,408.25	-	-
VI Casino							
Total income Received	\$ 8,459.33	928.82	257,237.50	117,484.77	374,722.27	56,077.08	37,099.63

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

December 19, 2023

Questions from Trustees to Administrator Angel E. Dawson Jr.

Trustee Smith commented that Trustees should be invited to meetings with Senators. Chairman Callwood confirmed that he was not invited and Senator Angel L. Bolques Jr. wanted to discuss feasible or practical ideas that will benefit the system.

Trustee Smith requested to know if the agency is planning any townhall meetings in the future and Administrator response was yes and it will be extended to St. John.

Committee Reports.

- (a) Investment Committee – Chairman Callwood – No Report
- (b) Development Committee – Trustee Russell – No Report
- (c) Budget/Audit Committee Report – Chairman Callwood – No Report
- (d) Policy Committee Report – No Report

Treasurer's Report

Denise Jeremiah, CFO read the Treasurer's Report for the System and Havensight Mall for the month ending of November 30, 2023.

Total Collections for November 30, 2023, is \$14.5M and FYTD is \$150M. Total Disbursements for November 30, 2023 is \$25M and FYTD is \$50M; Net Cash Deficit is \$10M a Net Cash Surplus for FYTD of \$100M

Havensight Mall.

Total Collections for November 30, 2023, was \$447K and FYTD \$871K; Total Disbursements for was \$525K and FYTD is \$1M and a Net Cash Deficit of \$77K and Net Cash Surplus of \$170K FYTD.

Administrator Dawson confirmed to Trustee Bowry that work continues in Washington D. C. with the powers that be regarding the rum cover over rate that will financially help GERS.

The format of the Treasure's report will, in terms of recommendation and guidance, be presented at an accrual bases moving forward.

Ms. Jeremiah reported out to the Board that the Havensight Mall as of to date has \$2.5M in arrearages.

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

December 19, 2023

A motion was made by Trustee Smith and seconded by Trustee Bowry to accept the Treasurer's Report for December 19, 2023. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood), and 2 Absent (Dorsey and Russell).

Investment Officer's Report

Mr. Glenville Henderson read the investment report for the month ending November 30, 2023 into the record.

The Investment Report for November 30, 2023, submitted to the board by Glenville Henderson, Investment Analyst shows:

Market Value - \$454.7M

· Total Plan returned 6.4% for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities.

Total Domestic Equity returned 9.5% for the month.

· Total International Equity returned 8.8% for the month

- Develop Market Equity returned is 9.2%
- Emerging Market Equity returned 7.8%

Total Domestic Fix Income Return 3.7%

- Investment Grade Bonds returned 4.5%
- TIPS returned 2.7%
- High Yield Bonds returned 4.7%

· Funds 18.3% raised in the month of November 2023

· Total Alternatives returned .0.1% for the month

A motion was made by Trustee Bowry and seconded by Trustee Smith to accept the Investment Officer's Report for November 30, 2023. The motion passed with 4 Yes (Bowry, Smith, and Callwood), and 2 Absent (Dorsey and Russell) and 1 not voting (Liger).

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

December 19, 2023

Regular Session

A. New Business

I. 2024 Board Meeting Calendar

A motion was made by Trustee Bowry and seconded by Trustee Smith to accept the 2024 Board Meeting Calendar. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood), and 2 Absent (Dorsey and Russell).

II. Bill No. 35-0196 Discussion

Bill No. 35-0196 tends to remove the target interest rate of the loan program from 8%. The Bill also seeks to cap the general liability to \$75K for GERS. Currently, GERS does not have a Cap for liability. The Bill would also establish a deadline of September 30, 2024, to reinstate the loan program.

The recommendation from Chairman Callwood is to wait until the Senators vote on Bill No. 35-0196 because it will allow the Board to know what parameters the System needs to meet and then have an informed discussion with the Board and staff about the interest rate, the timeline for the starting of the program, and the criteria of the reinstated loan program. Chairman Callwood recommends that the Board propose to the Legislature that the Trustees of the System have full authority over the Loan Program.

Trustee Bowry recommends parameters set by the Board to determine the starting date. However, Board Counsel Williams clarified that assuming the Legislature adopts the Bill, the Legislature determines the start date of the Loan Program.

A motion was made by Trustee Smith and seconded by Trustee Bowry to amend the agenda and enter Executive Session to continue with Bill No. 35-0196 discussion. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood), and 2 Absent (Dorsey and Russell).

A motion was made by Trustee Smith and seconded by Trustee Liger to go into 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. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood), and 2 Absent (Dorsey and Russell).

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

December 19, 2023

Executive Session

A motion was made by Trustee Bowry and seconded by Trustee Smith to come out of Executive Session. The motion passed with 5 Yeas (Bowry, Dorsey, Liger, Smith, and Callwood), and 1 Absent (Russell).

Regular Session

The Chairman reported out of Executive Session that the Board discussed pending legal matters.

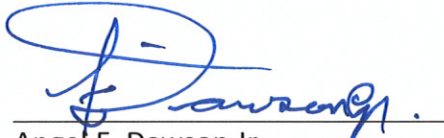
Privileges of the Floor

None

A motion was made by Trustee Smith and seconded by Trustee Bowry to adjourn the meeting. The motion passed with 5 Yeas (Bowry, Dorsey, Liger, Smith, and Callwood), and 1 Absent (Russell).

The meeting ended at approximately 11:40a.m.

The minutes for the Regular Session were transcribed from the zoom recording by Zaida Castro, Executive Assistant to the Administrator and reviewed and edit by Angel E. Dawson Jr. Administrator and CEO.

A handwritten signature in blue ink, appearing to read "A. Dawson Jr.", is written over a horizontal line.

Angel E. Dawson Jr.
Administrator/CEO
Secretary, GERS Board of Trustees