

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

**St. Thomas/St. Croix
Thursday, February 22, 2024
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: 1/25/24)
- VI. Communications and Correspondences
- VII. Chairperson's Report
- VIII. Administrator's Report
- IX. Committee Reports
- X. Treasurer's Report
- XI. Investment Officer's Report

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. New Business
 - (i). Medical Review Committee Recommendations
 - (ii). N. Coley Contract
- XIV. Privileges of the Floor
- XV. Adjournment

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

February 22, 2024

The Regular Meeting of the Board of Trustees for February 22, 2024, was called to order at 9:35 a.m. At roll call, Trustees present were Andre Dorsey, Vincent Liger, Ex-Officio Member Cindy Richardson, Leona Smith, and Dwane Callwood, Sr. The meeting was held via the Zoom. Trustees not present during roll call were Nellon Bowry and Ronald Russell (excused). A quorum was established with 4 voting Trustees present.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Ishmael Meyers, Acting General Counsel, Denise Jeremiah, Chief Financial Officer, Asiah Clendinen Gumbs, COO, Ms. Shoran D. C. Sasso, Chief Benefits Officer, Glenville Henderson, Investment Analysts, Roy Moorehead, Acting Property Manager-Havensight Mall, Dannica Thomas, Director of Communications, LeSean Moses, IT, Zaida Castro, Executive Assistant to the Administrator, Nikia Coley, Administrative Assistant to the Board

Also, present in the meeting were Attorney Pedro K. Williams and Attorney Kelsha Williams, Board Counsel (Williams and Williams Law Firm), Desiree Hill, Stenographer

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

None

Secretary's Minutes (January 25, 2024)

A motion was made by Trustee Smith to accept the minutes of January 25, 2024, and seconded by Trustee Dorsey. The motion passed with 3 Yes (Dorsey, Smith, and Callwood), 2 Absent (Bowry and Russell) and 1 not-voting (Liger).

Communication and Correspondences

Administrator Dawson read an E-Mail from Ms. Mary Moorehead, dated February 4, 2024, into the record. In summary, the letter acknowledges Chairman Callwood and Administrator Dawson's visit to St. Croix Government Retirees Inc. (SCGR) on Tuesday, January 30, and highlights topics of interest for the SCGR.

1. To write PFA to provide the GERS funds regarding the Rum Cover Over.
2. To revisit eligibility requirements, particularly for retirees to become members of the Board of Trustees.

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3. To allow open meetings in accordance with the V.I. Code
4. Consider researching Coakley Bay property to construct housing for GERS members with the mortgage program.

Chairman's Report

January 30th Chairman Callwood and Administrator Dawson visited the St. Croix Government Retirees Inc. (SCGR)

Meetings, Presentations, and Appearances

January 26	Direct Reports Meeting
January 29	Meetings with various internal units
January 29	Meeting with Vitech
January 30	Meeting with St. Croix Retiree Group
January 31	Meeting with Haven Development Group
January 31	Participated in January Birthday Social
February 1	Meeting with Havensight Mall Team
February 2	Meeting with Vitech
February 5	Meeting with IDEAS re. Havensight Mall
February 6	Exit Meeting with Government Accountability Office
February 8	Planning Meeting re. Havensight Mall Green Space
February 17 -18	Participated with Staff in St. Croix Agricultural and Food Fair GERS Booth
February 20	Guest appearance on Senator Carla Joseph's radio talk show

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Member Services

Retirement Applications - as of February 15, 2024

	<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	134	27	
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>148</u>	14	
Total	294	275	245	401	315	240	343	325	282	41	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>342</u>	<u>320</u>	<u>186</u>	0	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>5</u>	<u>96</u>	<u>41</u>	<u>144*</u>
% Completed	99%	100%	100%	100%	100%	100%	99%	98%	66%	0%	

Compliance and Control - Contribution Processing October 1, 2023 – January 31, 2024

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. of Cases Pending</u>
Regular	133	\$2,601,488.54	50
Erroneous	3	1,621.77	8
Employer Share	0	0.00	3
Overpayment	<u>110</u>	<u>\$ 300,426.63</u>	<u>2</u>
Total	<u>246</u>	<u>\$2,903,536.94</u>	<u>63</u>

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/23-01/31/2024</u>	<u>Amount 10/1/23-01/31/2024</u>	<u>No. of Cases Pending</u>
Active	13	\$ 948,782.61	35
Retired	<u>4</u>	<u>138,927.61</u>	<u>4</u>
Total	<u>17</u>	<u>\$ 1,087,710.22</u>	<u>39</u>

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Accounting Department

Annuity Payments

No. of retirees as of February 15, 2024, payroll: **8780**

Cumulative dollar paid out from October 1, 2023 – February 15, 2024

700	Pensioners	\$0.00	
702	Service Retirement Annuities	98,275,803.08	
703	Survivors' Annuities	619,934.19	
704	Duty-Connected Death Annuities	961.29	
705	Duty-Connected Disability Annuities	1,177,820.41	
706	Non-Duty Disability Annuities	585,605.30	
	Totals		100,660,124.27

Number of retirees added to payroll from October 1, 2023 – February 15, 2024. **126**

Number of retirees added to the payroll for the February 15, 2024, pay date. **10**

Number of retirees expected to be placed on payroll for February 15, 2024, pay date: **8**

Number of retirees deleted from payroll from October 1, 2023, through February 15, 2024: **106**

Note: As of 2/15/24 payroll, the Gross Retiree Payroll has arrived at **\$ 11,209,721.36**

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JANUARY 2024

LOAN PORTFOLIO

UNITS

PERSONAL LOANS

	DATE		
	1/31/2024	STT/STJ	STX
Active Personal Loans	306	180	126
Retiree Personal Loans	383	218	165
	689	398	291

MORTGAGES

Construction/Home Improvement	19	11	8
Land	23	20	3
Purchase/Refinance	28	20	8
Auto Loan	1	1	0
Totals	71	41	11

**TOTAL LOANS &
MORTGAGES**

760

399

291

TOTAL OUTSTANDING

January 2024

	Total	STT/STJ	STX
Active PL -	\$ 2,094,786.72	\$ 1,300,384.29	\$ 794,402.43
Retiree PL -	2,063,511.08	1,160,306.66	903,204.42
Purchase/Refi -	1,218,650.14	885,396.86	333,253.28
Construction -	1,877,911.27	1,192,501.50	685,409.77
Land Loans -	357,410.55	341,339.46	16,071.09
Auto	7,727.74	\$7,727.74	-
GRAND TOTAL	\$ 7,619,997.50	\$ 4,887,656.51	\$ 2,732,340.99

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Operations

St. Croix Office Complex

BUILDING

No major issues other than ongoing maintenance.

St. Thomas Office Complex

BUILDING:

Projects Completed:

- Adcon Environmental cleaning, disinfecting, and sanitizing all GERS occupied spaces after results from mold testing.

OTHER ONGOING PROJECTS

New GERS Main Generator

- Build a foundation and extend the room. **(Work in progress)**

Havensight Mall

Warehouse J

Occupancy permit received. WAPA meters installed. Tenants are currently occupying. The ridge cap had some leaks with the recent rain. The contractor repaired and mitigated at no additional cost.

Hotel Development

Currently working on the parking spaces/green space design (GERS HM will contract with an architect, civil engineer, and a landscape design company.

Generators

Letters were mailed to the adjacent property owners.

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

Update –The company completed the underground GPR and Elipse will continue the waterline design.

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Office Buildings Rental and Electricity Collections – Exhibit A

	<u>January 2024</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$94,324.93	\$385,995.70	\$44,834.00
Electric	\$15,022.77	\$133,303.36	\$64,945.02
Total	\$109,347.70	\$519,299.06	\$109,779.02

LEASES

Casino Control Commission - VICCC is reviewing the updated changes from GERS.

Department of Justice – Property and Procurement is still awaiting fiscal information for DOJ to process the additional Purchase orders required to execute the lease.

Virgin Islands Police Department – Lease negotiated and being routed through the government approval process.

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	January 2024 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	\$ 5,220.00	\$ -	\$ 153,472.00	\$ 116,195.23	\$ 269,667.23	\$ 31,843.00	\$ 29,782.37
Division of Personnel	76,056.32	14,303.01	159,141.44	14,303.01	173,444.45	-	33,259.37
FirstBank	290.20	-	1,160.80	488.75	1,649.55	-	224.92
Ophthalmology Consultants, LLC	6,365.40		25,461.60		25,461.60	-	-
Plessen Eye, LLC_ADMIN	4,009.28	-	8,018.56		8,018.56	8,018.56	-
Plessen Eye, LLC_ADMIN STORAGE	580.00		1,740.00		1,740.00	580.00	-
Plessen Eye, LLC_ASC	-		8,784.88		8,784.88	4,392.44	-
Equus Workforce Solution	1,803.73	719.76	7,214.92	2,316.37	9,531.29	-	678.36
VI Casino			21,001.50		21,001.50		
Total income Received	\$ 94,324.93	15,022.77	385,995.70	133,303.36	519,299.06	44,834.00	63,945.02

Ex-Officio Richardson commented that Division of Personnel has processed internally rent payments for January and February and is waiting for Department of Finance to execute these payments in the next payment cycle.

Questions from Trustees to Administrator Angel E. Dawson Jr.

None

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Committee Reports.

- (a) Investment Committee – Chairman Callwood – No Report
- (b) Development Committee – Trustee Russell – Trustee Dorsey reported that the Development Committee met on February 21st with Mr. Wayne Bigs of Economic Development Commission (EDC). The trustees present were Russell and Dorsey. Mr. Bigs offered ideas for undeveloped property on the St. Thomas and St. Croix. Administrator Dawson and Board Counsel Williams confirm to have not been notified about the Development Committee meeting.
- (c) Budget/Audit Committee Report – Chairman Callwood – No Report
- (d) Policy Committee Report- Trustee Bowry. Chairman Callwood reported that the committee had convened on February 7th to suggest alterations to the medical review policy. However, the meeting was postponed due to the requirement for additional legal research. Trustee Smith inquired about the status of the legal research that had been requested. In response, Attorney Meyers shared that since the Board Counsel was not in favor of the first proposed amendment, a second proposal was created. It will be reviewed by the CEO and his team before being presented to the Board.

Treasurer's Report

Denise Jeremiah, CFO read the Treasurer's Report for the System and Havensight Mall for the month ending of January 31, 2024

Total Collections for January 31, 2024, is \$9M and FYTD is \$169M. Total Disbursements for January 31, 2024, is \$25M and FYTD is \$100M; Net Cash Deficit is \$16M a Net Cash Surplus for FYTD of \$68M.

Havensight Mall.

Total Collections for January 31, 2024, was \$493K and FYTD \$2M; Total Disbursements for was \$362K and FYTD is \$1M and a Net Cash Surplus of \$130K and Net Cash surplus of \$60K FYTD.

A motion was made by Trustee Dorsey and seconded by Trustee Smith to accept the Treasurer's Report for January 31, 2024. The motion passed with 4 Yes (Dorsey, Liger, Smith, and Callwood) and 2 Absent (Bowry and Russell).

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Investment Officer's Report

Mr. Glenville Henderson read the investment report for the month ending January 31, 2024.

Total Plan returned 6% for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities.)

Total Domestic Equity returned 1.2 % for the month.

- Total International Equity returned -1.2% for the month

- Develop Market Equity returned is 0.5%
- Emerging Market Equity returned -4.7%

Total Domestic Fix Income Return 0.1%

- Investment Grade Bonds returned -0.2%
- TIPS returned 0.4%
- High Yield Bonds returned 0.0%

- \$20M raised in the month of January 2024

- Total Alternatives returned 2.1% for the month

A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept the Investment Officer's Report for January 31, 2023. The motion passed with 4 Yes (Dorsey, Liger, Smith, and Callwood) and 2 Absent (Bowry and Russell).

A motion was made by Trustee Smith and seconded by Trustee Dorsey 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 (Dorsey, Liger, Smith, and Callwood), and 2 Absent (Bowry and Russell).

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
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Executive Session

A motion was made by Dorsey and seconded by Smith to come out of Executive Session. The motion passed with 6 Yes (Bowry, Dorsey, Liger, Russell, Smith, and Callwood).

Regular Session

The Chairman reported out of Executive Session that the Board discussed pending legal matters, medical review committee cases and a personnel matter.

Privileges on the Floor

None

Adjournment

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

The meeting ended at approximately 11:45a.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 "Angel E. Dawson Jr.", is written over a horizontal line.

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