

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

**St. Thomas/St. Croix
Thursday, October 26, 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: 9/28/23)
- 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. 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). Authorization for Administrator to Execute Settlement Agreement between GERS, Carl Charleswell, and Karl Percell

- XIII. Privileges of the Floor
- XIV. Adjournment

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

October 26, 2023

The Regular Meeting of the Board of Trustees for October 24, 2023, was called to order by 9:33a.m. The meeting was held via the Zoom. Before proceeding to roll call, Administrator Dawson read into the record, notice of excused absence from ex-officio Cindy Richardson. Instead, Ms. Florine Audain – Hassell attended on Ex-officio member, Director Cindy Richardson behalf. At roll call, Trustees present were Bowry, Liger, Russell, and Callwood. Trustees not present during roll call were Dorsey (Absent) and Smith (excused) and a quorum was established with 4 voting Trustees present.

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, Roy Moorehead, Chief Security Officer, Havensight Mall, 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 were Pedro K. Williams, Board Counsel, and Kelsha Williams, (Law offices of Williams and Williams, Partner) and Stenographer, Desiree Hill

Before proceeding to comments and suggestions from retirees Trustee Bowry sought clarification regarding the rules allowing for a substitute when a Board of Trustee is unable to attend a meeting. Board Counsel clarified that the rules do not provide a substitute. For example, a Trustee cannot send someone to substitute a trustee presence in terms of having a vote. Going towards the level of participation, an Ex-Officio Trustee is a non-voting position in a board discussion up to and including executive session. Therefore, sending a substitute if the Ex-Officio Trustee is unable to attend should not impact the outcome of the meetings.

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

None

Secretary's Minutes (Special Board Meeting): 8/07/2023)

A motion was made by Trustee Russell to accept the minutes of August 7, 2023, Special Board Meeting, and seconded by Trustee Bowry. The motion passed with 4 Yes (Bowry, Liger, Russell, and Callwood) and 2 Absent (Dorsey and Smith)

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

October 26, 2023

In order to prevent a loss of quorum, the Chairman of the meeting, Mr. Callwood, called for a recess at 9:46 a.m. He did so to await the arrival of Trustee Dorsey, as Trustee Russell had requested to be excused from the meeting.

Secretary's Minutes (Regular Board Meeting: 8/24/2023)

A motion was made by Trustee Dorsey to accept the minutes of August 24, 2023, Regular Board meeting and seconded by Trustee Bowry. The motion passed with 4 Yes (Bowry, Dorsey, Liger, and Callwood) and 2 Absent (Russell and Smith).

Secretary's Minutes (Regular Board Meeting: 9/28/2023)

A motion was made by Trustee Dorsey to accept the minutes of September 28, 2023, and seconded by Trustee Bowry. The motion passed with 4 Yes (Bowry, Dorsey, Liger, and Callwood) and 2 Absent (Russell and Smith).

Communication and Correspondences

Correspondence from Division of Personnel Director Cindy Richardson was read into the record upon roll-call.

Chairman's Report

Attended the groundbreaking ceremony of the Haven Hotel Development on October 20, 2023.

Administrator's Report (Highlights of September 28, 2023)

August 31st Confirmation Hearing before the Legislature of the Virgin Islands Rules and Judiciary Committee

September 2nd Confirmed as Administrator by the Legislature of the Virgin Islands

Administrator's Report – October 26, 2023

Meetings, Presentations, and Appearances

September 26 Transition Meeting with General Counsel's Office

September 27 Haven Development Meeting

September 28 GERS Board of Trustees Regular and Executive meetings

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

October 26, 2023

September 29 thru

October 4 International Foundation of Employee Benefit Plans Annual Conference

October 11 Participated in V3 Migration Assessment Session

October 11 Haven Development Meeting

October 12 Participated in Governor's Workforce Summit 2023 as Moderator of
"Preparing for the Future of Financial Services" Panel

October 17 Direct Reports Meeting

October 17 Meeting with various Havensight Mall Tenants

October 18 Haven Development Meeting

October 19 Met with Development Committee Chairman Russell

October 19 Attended viewing of the Late Senator Alicia Hansen

October 20 Participated in Groundbreaking Ceremony of the Hampton by Hilton Hotel

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

October 26, 2023

Member Services

Retirement Applications - as of October 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	112	10	
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>108</u>	1	
Total	294	275	245	401	315	240	343	325	220	11	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>341</u>	<u>316</u>	<u>80</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>9</u>	<u>140</u>	<u>11</u>	<u>163*</u>
% Completed	99%	100%	100%	100%	100%	100%	99%	97%	36%	0%	

**Compliance and Control - Contribution Processing
October 1, 2022 – September 30, 2023**

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. of Cases Pending</u>
Regular (Non-Vested)	505	\$8,807,118.40	18
Erroneous	19	9,778.22	5
Employer Share	4	25,565.06	3
Overpayment	<u>391</u>	<u>1,009,645.75</u>	0
Total	<u>919</u>	<u>\$9,852,107.43</u>	26

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/22-09/30/2023</u>	<u>Amount 10/1/22-09/30/2023</u>	<u>No. of Cases Pending</u>
Active	33	\$ 1,349,643.08	41
Retired	<u>10</u>	<u>749,418.05</u>	<u>5</u>
Total	<u>43</u>	<u>\$ 2,099,061.13</u>	<u>46</u>

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

October 26, 2023

Accounting Department

No. of retirees as of October 15, 2023, payroll: **8758**

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

700	Pensioners	\$0.00	
702	Service Retirement Annuities	10,874,170.51	
703	Survivors' Annuities	68,992.73	
704	Duty-Connected Death Annuities	106.81	
705	Duty-Connected Disability Annuities	130,379.58	
706	Non-Duty Disability Annuities	64,657.17	
	Totals		11,138,306.80

Number of retirees added to payroll from October 1, 2023 – October 15, 2023. **14**

Number of retirees added to the payroll for the October 15, 2023, pay date. **14**

Number of retirees expected to be placed on payroll for October 31, 2023 pay date: **10**

Number of retirees deleted from payroll from October 1, 2023, through October 15, 2023: **16**

Note: As of 10/15/23 payroll, the Gross Retiree Payroll has arrived at **\$ 11,138,306.80**

Location	Total Count	Total Checks	Total ACH
Puerto Rico & Other islands	73	10	63
United States	1677	45	1632
International	6	3	3
	1756	58	1698
St. Thomas	4033	108	3925
St. Croix	3479	164	3315
St. John	231	8	223
	7743	280	7463
Total disb.	9499	338	9161

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

October 26, 2023

Compliance and Control Monthly Report – September 2023

LOAN PORTFOLIO FOR THE MONTH ENDING SEPTEMBER 2023

PERSONAL LOANS	DATE		
	9/30/2023	STT/STJ	STX
Active Personal Loans	303	183	120
Retiree Personal Loans	412	232	180
	715	415	300
MORTGAGES			
Construction/Home Improvement	17	9	8
Land	15	14	1
Purchase/Refinance	17	14	3
Totals	49	37	12

TOTAL LOANS & MORTGAGES	764	452	312
------------------------------------	------------	------------	------------

TOTAL OUTSTANDING		Total	STT/STJ	STX
<u>September 2023</u>				
Active PL	-	\$ 2,145,813.14	\$ 1,309,734.42	\$ 836,078.72
Retiree PL	-	2,633,939.39	1,490,441.53	1,143,497.86
Purchase/Refi	-	1,040,445.88	829,413.40	211,032.48
Construction	-	1,716,635.46	1,018,546.23	698,089.23
Land Loans	-	301,783.69	270,042.75	31,740.94
GRAND TOTAL		\$ 7,838,617.56	\$ 4,918,178.33	\$ 2,920,439.23

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

October 26, 2023

St. Croix Office Complex

No Issues to Report

St. Thomas Office Complex

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

OTHER ONGOING PROJECTS

- Lobby/Atrium/ Restroom Renovations/ Copper Pipe Replacement / ADA Compliance –Approved in the FY 2024 Budget. Contact was made with the Architect in preparation for the FY 2024 start.
- The Receptionist – Completed.

Havensight Mall

Demolition of Warehouse 4a and 5 on hold until the completion of Warehouse J.

Update Warehouse J

The schedule of the Mezzanine is as follows:

Erection of Mezzanine - 4 weeks (Challenges being worked through with measurements and reconfigurations)

Framing and Durock - 4 to 5 weeks

Electrical Work - 2 to 3 weeks

Relocation of Tenants (who must obtain their meter from WAPA).

Demolition of Warehouses 4a and 5 - 3 weeks

The warehouse is scheduled to be completed by October 27, 2023. Tenants draft lease to be provided by Monday, October 23, 2023. The architect created a design for tenants' usage of ventilation and AC installation.

Hotel Development

Hotel Grand Opening October 20, 2023, with Hilton. Weekly project meetings held. 46 piles driven with no major earth movements or complaints.

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

October 26, 2023

Havensight Mall Projects

Signage for Short-Term Parking – Contact has been made with vendors for signage for short-term parking for all spaces directly in front of Building 6. Signage received and poles being acquired to erect them. Project completion date November 15, 2023.

Generators

Waiting on permits

A Portion of Overhang (cantilever) collapsed at Havensight Mall Dolly Deck

Drawing completed. Scope of work for RFP being drafted. RFP, cost proposals and drawings received on October 6, 2023. GERS to contact contractors for invitation to bid.

Havensight Mall Strategic and Infrastructure Plan - RFP

IDEAS kickoff meeting held – Strategic Plan sessions scheduled for the week of November 13th.

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.

The warehouse is scheduled to be completed by October 27, 2023. Tenants draft lease to be provided by Monday, October 23, 2023. The architect created design for tenants' usage of ventilation and AC installation.

Hotel Development

Hotel Grand Opening October 20, 2023, with Hilton. Weekly project meetings held. 46 piles driven with no major earth movements or complaints.

Havensight Mall Projects

Signage for Short-Term Parking – Contact has been made with vendors for signage for short-term parking for all spaces directly in front of Building 6. Signage received and poles being acquired to erect them. Project completion date November 15, 2023.

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

October 26, 2023

Generators

Waiting on permits

A Portion of Overhang (cantilever) collapsed at Havensight Mall Dolly Deck

Drawing completed. Scope of work for RFP being drafted. RFP, cost proposals and drawings received on October 6, 2023. GERS to contact contractors for invitation to bid.

Havensight Mall Strategic and Infrastructure Plan - RFP

IDEAS kickoff meeting held – Strategic Plan sessions scheduled for the week of November 13th .

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.

Office Buildings Rental and Electricity Collections – Exhibit A

	<u>September 2023</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$247,548.27	\$1,034,088.66	\$37,063.00
Electric	<u>29,869.50</u>	<u>126,766.31</u>	<u>31,699.84</u>
Total	<u>\$277,417.77</u>	<u>\$1,160,854.97</u>	<u>68,762.84</u>

Leases

Division of Personnel – Current. The lease was finalized and signed by the Governor. The new rate of an additional \$5,824.64 monthly includes CAM Charges are effective October 1, 2022 (\$13,189.44 to \$19,014.08).

VIPD –GERS & Property and Procurement revised the lease on October 18, 2023. Projected for a January 2024 lease commencement date.

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

October 26, 2023

Casino Control Commission –Meeting held to negotiate lease terms and rental payments on October 5, 2023.

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.

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 September 30, 2023

Total Collections for September 30, 2023, is \$12M and FYTD is \$328M. Total Disbursements for September 30, 2023 is \$28M and FYTD is \$309M; Net Cash Deficit is \$16M and a Net Cash Surplus of \$19M FYTD.

Havensight Mall.

Total Collections for September 30, 2023, was \$310K and FYTD \$5.1M; Total Disbursements for was \$1.2M and FYTD is \$5M and a Net Cash Surplus of \$920K and Net Cash Surplus of \$740K FYTD.

Administrator Dawson will work with CFO Jeremiah to refine the Treasurer's report presentation addressing withdrawals from the investment portfolio.

A motion was made by Trustee Dorsey and seconded by Trustee Bowry to accept the Treasurer's Report for September 30, 2023. The motion passed with 4 Yes (Bowry, Dorsey, Liger, and Callwood), and 2 Absent (Russell and Smith).

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

October 26, 2023

Investment Officer's Report

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

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

Market Value - \$454.7M

- Total Plan returned -3.0 for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities.
- Total Domestic Equity returned -4.7% for the month
- Total International Equity returned -3.2% for the month
 - Develop Market Equity returned is -3.4%
 - Emerging Market Equity returned -2.7%

Total Domestic Fix Income Return -1.6%

- Investment Grade Bonds returned -2.5%
- TIPS returned -1.8%
- High Yield Bonds returned 1.3%
- No funds raised in the month of September 2023
- Total Alternatives returned -1.3% for the month

Administrator Dawson highlighted that the GERS portfolio is up 8.5%.

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

A motion was made by Trustee Bowry 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

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

October 26, 2023

premature disclosure will frustrate the implementation of the proposed agency action. The motion passed with 4 Yes (Bowry, Dorsey, Liger, and Callwood), and 2 Absent (Smith and Russell).

Executive Session

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

Regular Session

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

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

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.



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