

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

**St. Thomas/St. Croix via Zoom
Thursday, March 24, 2022
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: 2/24/22)
- 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. Unfinished Business
 - (i). Approval of January 2022 Administrator's Report
 - (ii). Approval of January 2022 Treasurer's Report
 - (iii). Approval of January 2022 Investment Officer's Report
 - (iv). Ratify Poll Vote for A. Nibbs Contract Extension
 - B. New Business
 - (i). N. Coley Contract Extension

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). GVI Financing Funding Transaction
 - (ii). JLL Discussion
 - B. New Business
 - (i). Alternative Funding Discussion
- XIII. Privileges of the Floor
 - XIV. Adjournment

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

February 24, 2022

The Regular Meeting of the Board of Trustees for February 24, 2022 was called to order at 9:32 am. The meeting was held via Zoom. At roll call, Trustees present were Trustee Dorsey, Liger, Russell, and Bowry. Trustees not present during the roll call were Callwood, McDonald, and Smith. A quorum was established with 4 voting trustees present and 3 absent (Callwood, McDonald, and Smith.). Trustee Callwood joined the meeting after the roll call. Ex-officio member Cindy Richardson submitted a letter to be excused.

Staff in attendance: Austin Nibbs, Administrator, Cathy Smith, General Counsel, Ishmael Meyers, Deputy General Counsel, Asiah Clendinen Gumbs, COO, Glenville Henderson, Investment Analyst, Sakeeda Figueroa, Communication Specialist, LeSean Moses, IT, and Nikia Coley, Administrative Assistant to the Board of Trustees.

Also, present in the meeting were Pedro K. Williams, Board Counsel and Kelsha Williams (Associate Pedro Williams Law Offices).

Comments and Suggestions from Retirees and Active Members

There were no comments or suggestions from retirees or active members.

Before the Secretary's minutes Trustee Russell stated that he has to leave the meeting before noon and would like to make a motion to reorder the agenda to go into executive session to address the lease and unfinished business. Trustee Dorsey seconded the motion and also stated that he had to leave the meeting about the same time. No vote on the motion was taken.

The Administrator asked Attorney Smith to contact JLL to see if they are available because they were not scheduled to be available until 11:30am (AST). Also, EFL Associates was scheduled to present at a later time. The Chairman recommended that we proceed with the agenda until we can confirm available times for JLL and EFL Associates. Attorney Smith reported that she had contacted JLL, and they would be available to join us at 10:00am (AST).

Secretary's Minutes

A motion was made by Trustee Callwood and seconded by Trustee Dorsey to approve the Board meeting minutes for January 27, 2022 Regular Board meeting. The motion passed with 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry); and 2 absent (Mc Donald and Smith).

A motion was made by Trustee Callwood and seconded by Trustee Dorsey to approve the meeting minutes for January 28, 2022 Special Board meeting. The motion passed with 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry); and 2 absent (Mc Donald and Smith).

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

February 24, 2022

A motion was made by Trustee Callwood and seconded by Trustee Dorsey to approve the meeting minutes for February 8, 2022 Special Board meeting. The motion passed with 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry); and 2 absent (Mc Donald and Smith).

A motion was made by Trustee Callwood and seconded by Trustee Russell to approve the meeting minutes for February 11, 2022 Special Board meeting. The motion passed with 4 yes (Callwood, Liger, Russell, and Bowry); 1 not voting (Dorsey), and 2 absent (Mc Donald and Smith).

Communications and Correspondences

- 1). Letter to Andrew L. Smith, WAPA CEO dated January 28, 2022 from the Administrator summarizing the obligations owed to the GERS and requesting a date to meet to discuss the outstanding obligations.
- 2). Report from Keith Richards, Assistant Commissioner, DPNR dated February 11, 2022 recommending the request from GERS to amend the official zoning map No. STZ-7 to rezone Parcels 2 and 4 Estate Thomas, Nos. 6B and 6F New Quarter from W-2 (Waterfront-Industrial) to R-3 (Residential Density).
- 3). Letter to the Administrator from ex-officio member Cindy Richardson requesting to be excused because of her swearing in ceremony.
- 4). Letter to Andrew L. Smith, WAPA CEO dated February 16, 2022 from the Administrator thanking him for meeting on February 15th and setting forth the terms of repayment of the outstanding obligations discussed in the meeting. As follows:

The total amount that must be remitted immediately and highlighted in yellow on Exhibit A is \$1,949,703.60 (employee deductions - \$232,449.21 and employee contributions - \$1,717,254.39).

We did agree to enter into an installment payment plan for the employer contributions and all the accumulated interest and late fees.

Please provide us with a realistic and durable monthly installment payment plan as follows:

- 1). To remit to the GERS 10 days after the pay period the current deductions and employee and employer contributions.
- 2). Payment to the GERS on the outstanding employer contributions over a 12-month period beginning March 1, 2022.

Board Counsel asked what the deadline was to respond to the letter. The Administrator responded 10 days from February 16th.

Trustee Dorsey raised a point of information and asked the Administrator what would happen if WAPA did not respond after the 10 days. The Administrator responded that management would make a decision at that time.

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

February 24, 2022

A motion was made by Trustee Dorsey and seconded by Trustee Callwood to amend the previous resolution and grant the Administrator an additional 30 days to effectuate a settlement agreement with WAPA or initiate legal action. The motion passed 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry) and 2 absent (McDonald and Smith).

Trustee Russell asked the Administrator what type of document would be needed to reduce the decision made between WAPA and the GERS and if an MOU would be appropriate. The Administrator responded that he did not think an MOU would be necessary. The installment plan agreement between WAPA and GERS would be sufficient. The Chairman asked the General Counsel her thoughts. The General Counsel responded that GERS would enter into a payment plan that will be signed off by both parties.

Chairman's Report

The Chairman mentioned that he was pleased and excited with the passage of Act No. 8540 – Matching Fund Special Purpose Securitization Act of 2022, also if becomes a reality will be known as the GERS Rescue Act. The Act provides for significant infusion of contributions in the amount of \$4 billion over 30 years, which would be enough to fund the benefits for the foreseeable future. The GVI and GERS negotiated and signed a Settlement Agreement which was required by the Act. Pursuant to that agreement, GERS agreed to drop all money claims and dismiss all pending litigation against the government upon the issuance of the GERS Funding Note. That is the instrument that guarantees the annual contributions to the GERS. The ball is now with the Governor and his financial team to execute. On behalf of the members of the GERS, special thanks to the Plan Sponsor, the GVI for stepping up to the plate, and to the 34th Legislature for unanimously passing Bill No-34-0188, which was a result of the amount of work done by the GERS Subcommittee of the Committee on Finance. Also, thanks to the members of the staff and the GERS Board in acting expeditiously in providing technical support and the required approvals. An excellent demonstration of collaboration between all stakeholders and looking forward to it fruition.

Trustee Russell asked to comment and wanted to give GRUFF (Government Retirees United for Fairness) credit regarding the passage of the Bill No. 34-0188. GRUFF started the proposal to have the rum cover overs dedicated to the GERS. Also, he would like to acknowledge the GERS legal staff for their contributions. Hopefully, the administration would live up to the dictates of the law. Trustee Russell commended the Chairman for his support of the legislation.

The Chairman congratulated GRUFF for its activism not just for this issue but for all other issues affecting the GERS.

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

February 24, 2022

Trustee Dorey asked if this processed has gone out to market as of today? The Chairman responded that he did not know as of today. But will contact David Paul the consultant to the GVI. However, he does know that Mr. Paul had stated that he wanted to go to market like yesterday. What is driving the timeframe is the expected increase in the interest rates. The deal would want to get done before the interest rates go up. If the interest rate goes up, debt service goes up, and if debt service goes up, the amount of contribution to the GERS goes down.

Trustee Dorsey asked if at any time would the trustees get a chance to review the entire package? What going on with the Special Purpose Vehicle and the bonding portion? The issuance of the bonds as well as the agreements with the two rum companies and what they are giving up because GERS has given up the litigations. The Chairman responded that there will be an opportunity to see the entire package upon implementation. The GERS safeguard is the legislation.

A motion was made by Trustee Russell and seconded by Trustee Dorsey to go into Executive Session to discuss the ground lease and obtain recommendations from JLL. The motion passed 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry) and 2 absent (McDonald and Smith).

Executive Session.

A motion was made by Trustee Russell and seconded by Trustee Dorsey to come out of Executive Session. The motion passed 4 yes (Dorsey, Liger, Russell, and Bowry) and 3 absent (Callwood, McDonald, and Smith).

Regular Session.

Because Trustees Russell and Dorsey had to leave, the Chairman asked the Administrator how much time will be needed to complete the agenda? The Administrator responded that it would take about 25 more minutes because we have the Administrator's Report, Committee Reports, and the Treasurer's Report, and the Investment Report to be approved. It was agreed that these reports will be approved in the next regular board meeting.

A motion was made by Trustee Russell and seconded by Trustee Dorsey to adjourn the meeting. The motion passed 4 yes (Dorsey, Liger, Russell, and Bowry) and 3 absent (Callwood, McDonald, and Smith).

The meeting adjourned at approximately 12:19pm.



Austin L. Nibbs, CPA, CGMA
Administrator/CEO
Secretary, GERS Board of Trustees

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM OF THE VIRGIN ISLANDS

"Contributing today for a better tomorrow"

VIA EMAIL AND U.S. Mail

February 18, 2022

The Honorable Donna Frett-Gregory
President
34th Legislature of the Virgin Islands of the United States
One Capitol Building
St. Thomas, Virgin Islands 00802

Re: Act No. 8540, Section 4 (g)

Dear Senate President Frett-Gregory:

During the Government Employees' Retirement System (GERS) testimony before the Committee of the Whole on January 31, 2022, and our meeting with the Governor, his team, and the government's consultant on February 9, 2022, the GERS strongly recommended an amendment to Section 4(g) which provides:

(g) Upon the issuance of delivery of the GERS Funding Note, all amounts budgeted by the Government to be paid into the GERS during Fiscal Year 2022, are deemed voided, rescinded, and of no further effect.

This provision, which is now law, includes amounts appropriated in the Fiscal Year 2022 budget for employer contributions which are remitted to the GERS after each pay period. It is GERS' position that this provision was not intended. However, the GERS is concerned that this provision may inadvertently cause the Director of the Office of Management and Budget to deny allotment of the payment of the remaining employer contributions due in Fiscal Year 2002 upon delivery of the funding note. The Department of Finance will be unable to authorize payment of the employer contributions. Without the Fiscal Year budgeted employer contributions, the portfolio will be further eroded to pay the annuities, in addition to the fact that the first few years of funding is less than \$158 million.

Therefore, we request that the Legislature reappropriate the employer contribution amounts to the GERS in a budget amendment before the GERS Funding Note is delivered. This approach will allow the GVI to continue marketing the bonds before the shortly expected increase in interest rates.

We request your favorable consideration of the budget amendment before the GERS Funding Note is delivered to ensure that the Director of the Office of Management and Budget allots

Letter to The Honorable Donna Frett-Gregory
February 18, 2022
Page 2

the funds in Fiscal Year 2022 for the employer contributions and the Commissioner of Finance authorizes payment of the employer contributions.

Thank you for considering this request.

Sincerely,



Austin L. Nibbs, CPA, CGMA
Administrator/CEO

cc: GERS Board of Trustees

Senator Kurt Vialet, Chairman, Committee on Finance
Other Senators of the 34th Legislature of the Virgin Islands
Cathy M. Smith, Esq., General Counsel
Ishmael Meyers Jr., Esq., Deputy General Counsel
Pedro K. Williams, GERS Board Counsel



Legislature of the Virgin Islands

Office of Senator Kenneth L. Gittens

Capitol Building, Charlotte Amalie, VI 00804 • 3022 Golden Rock, Christiansted, VI 00820

Kenneth L. Gittens
Senator

COMMITTEES

Economic
Development &
Agriculture
Chairperson

Rules & Judiciary
Vice-Chair

Health, Hospital &
Human Services
Member

Education &
Workforce
Development
Member

Homeland Security,
Justice & Public
Safety
Member

Committee of the
Whole
Member

February 24, 2022

Mr. Austin L. Nibbs, CPA, CGMA
Administrator
3438 Kronprindsens Gade
GERS Complex, 3rd Floor
St. Thomas, V.I. 00802

VIA EMAIL: anibbscpa@usvigiers.com

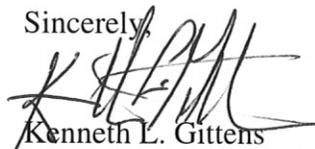
Dear Administrator Nibbs,

I hope this correspondence reaches you well. I write today to follow up on your commitment to restore loan service to both active employees and retired members of the Government Employees Retirement System (GERS) following the infusion of funds into the system via the Special Purpose Vehicle legislation signed into law last month.

GERS members have long depended on these personal loans to cover tuition, medical costs, home repairs and other emergency needs. It is critical that GERS is laying the groundwork now to restore this service as soon as is possible. Further, these loans are fully secured by the members'/employees' own contributions and payments automatically deducted each pay period – posing no risk to the system and offering a safe way to generate income for GERS via the interest paid.

As you will likely recall – in 2016, I was the primary sponsor of Act 7880, which requires the GERS to resume issuing personal loans to its membership. GERS has never complied with this legislative directive. However, it is important to note that Act 7880 remains law. It is my hope that GERS will announce a date for the resumption of its loan program before any further action is required as our government employees and retirees have gone far too long without access to this vital resource. I thank you in advance for your prompt response.

Sincerely,



Kenneth L. Gittens
Senator

Telephone: 340-773-2424 • Fax: 340-712-2378 • Email: senatorgittens@legvi.org

“Lead By Example”



Legislature of the Virgin Islands

CAPITOL BUILDING, P.O. BOX 1690
ST. THOMAS, U.S. VIRGIN ISLANDS 00804
Office: (340) 693-3686 • Fax: (340) 693-3642
Email: senatorfrett-gregory@legvi.org

The Honorable
Donna Frett-Gregory
Senate President
34th Legislature

CHAIRPERSON
Committee of the Whole

MEMBER
Committee on Finance

Committee on Education
and Workforce Development

Committee on Economic Development
& Agriculture

March 14, 2022

Austin Nibbs
Administrator/CEO
Government Employees' Retirement System
3438 Kronsprindsens Gade
GERS Complex Ste. 1
St. Thomas, VI 00802-5720
Via email: anibbscpa@usvigers.com

Dear Mr. Nibbs:

The 34th Legislature has scheduled a Committee of the Whole for Wednesday, March 16, 2022, to hear zoning map amendment applications. You are required to appear at the Earle B. Ottley Legislative Chambers at 10:00 a.m. on March 16, 2022 to provide testimony on zoning map amendment application, ZAT-22-3.

Please submit your written testimony via email to senatorfrett-gregory@legvi.org no later than Monday, March 14, 2022. You may direct all questions or concerns to my Legislative Director, Ms. Jamila Russell at jrussell@legvi.org or 340-227-2348.

Sincerely,

A handwritten signature in blue ink, appearing to read "Donna Frett-Gregory".

Donna Frett-Gregory
Senate President



GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
OF THE VIRGIN ISLANDS

"Contributing today for a better tomorrow"

March 21, 2022

Honorable Kenneth L. Gittens
Senator
34th Legislature of the Virgin Islands
3022 Golden Rock
Christiansted, St. Croix, Virgin Islands 00820

Dear Senator Gittens:

In response to your letter dated February 24, 2022, the Government Employees' Retirement System (GERS) Board made a fiduciary decision in 2015 to suspend the loan program because of the looming insolvency. At that time, the Board's position was that in the event the GERS receives the necessary funding to operate on an actuarial reserve basis, the loan program would be reinstated. It was never the intent of the Board not to comply with Act No. 7880.

We want to assure you that internal discussions for the reinstatement of the loan program started before receipt of your correspondence. As I indicated during your questioning in the Committee of the Whole on March 16th, in my February 24th report to the Board, I recommended the reinstatement of the loan program with some limitations, change in terms, and other changes such as moving from Version 8 software to a more robust Version 10 and the introduction of applying for a loan online. Based on the forgoing and the cash flow and liquidity requirements, for personal loans, the GERS management recommends a reinstatement date of October 1, 2024, and for mortgages October 1, 2025, which is subject to the approval of the Board.

Sincerely,



Austin L. Nibbs, CPA, CGMA
Administrator/CEO

cc: GERS Board of Trustees

Honorable Donna Frett Gregory, President, 34th Legislature
Cathy M. Smith, Es., General Counsel
Ishmael Meyers Jr., Esq., Deputy General Counsel
Denise Jeremiah, CPA, Chief Financial Officer
Asiah Clendinen Gumbs, Chief Operating Officer
Terence Thomas, Chief Information Technology Officer
Jasmin Greaux, Compliance and Control Officer
Tessa Alexander Eloi, Loans Coordinator

March 22, 2022

Mr. Austin L. Nibbs
Administrator/CEO
3438 Kronprindsens
GERS Complex Ste 1.
St. Thomas, Virgin Island 00802
Email: anibbspa@usvigers.com

Dear Mr. Nibbs

This correspondence serves to inform you that I will be unable to attend the GERS Board meeting scheduled on Thursday, March 24, 2022.

Thank you for your usual understanding and I look forward to next scheduled meeting.

Sincerely,



Cindy L. Richardson
Director Designee

cc: Asiah Clendinen-Gumbs, Chief Operating Officer
Cathy M. Smith, Esq., General Counsel
Florine Audain-Hassell, Assistant Director, Division of Personnel
Valcina Quashie, Deputy Director, Division of Personnel

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

ADMINISTRATOR'S REPORT

Regular Board Meeting

March 24, 2022

ADMINISTRATOR'S REPORT
Content

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Meetings, Presentations, and Appearances

February 25	Havensight Mall Oversight Committee Meeting
March 1	Meeting with JLL – Marketing Report
2	Meeting with JLL – Port of Sale
4	Meeting with staff to discuss reinstatement of Loan Program
7	Site visit with JLL – significant prospective tenant interest in Mall
9	Meeting with President of Havensight Merchants Association
10	Meeting with VINGN Re Access to interest in the Mall
11	Meeting with Vitech (V3 software provider) Re: Loan Program
16	Testimony before the Committee of the Whole Re: Rezoning at Havensight Mall
17	Meeting with individual interested in erecting historical sculpture at Havensight Mall
19	Appearance on Abdul Ali radio show WSTX 970 AM
21	Appearance on In the Morning radio show -DaVybe – 107.9 FM Appearance on St. Claire Williams radio show 1620 AM Appearance on Liston Davis radio show – Radio 1000 AM
22	Meeting with Auditing Firm to clarify questions Appearance on Ideas and Issues – WSTA 1340 AM

Member Services

Retirement Applications - as of March 15, 2022

	<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>Total</u>
STX	147	111	118	178	143	114	154	23	
STT	<u>147</u>	<u>164</u>	<u>127</u>	<u>224</u>	<u>172</u>	<u>123</u>	<u>169</u>	<u>21</u>	
Total	294	275	245	402	315	237	323	44	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>227</u>	<u>191</u>	<u>0</u>	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>10</u>	<u>132</u>	<u>44</u>	<u>188*</u>
	99%	100%	100%	99%	100%	96%	59%	0%	

Disability Life Certificates / Disability Cases – As of March 2, 2022

2020 Duty/Non-Duty Disability Life Certificate Distribution

71 – U.S. Mainland
160 – Virgin Islands
 231 (Initial letters were dated 2/20/2020 with 3/20/2020 response deadline.)

225	Validated
0	Benefits Suspended
3	Deceased
3	Life Certificate Pending
231	

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.

We are still awaiting responses from three (3) individuals. Please note that these individuals are not currently being issued a retirement annuity payment.

We will conduct another **Duty/Non-Duty Disability Life Certificate Distribution by March 2022.**

DISABILITY CASES

There is now a total of **six (6)** disability cases pending at various stages.

<u>REASONS PENDING</u>	
In Person Medical Exams	1
Disapproved by GERS Physicians	1
Internal Legal	4
Total Pending Disabilities	6

Return to Work Analysis – Exhibit B, Page 12

Total due	\$1,845,725
Less: Received	<u>536,928</u>
Balance due	<u>\$1,214,583</u>

Employer contributions due from SAAs
\$116,468

Note: We are accumulating a listing of retirees (police officers, nurses, and teachers) who returned to work under the current law (return for 2 years, retaining annuity, no contributions due, no recalculation of annuity).

**Compliance and Control - Contribution Processing
 October 1, 2021 – February 28, 2022**

Refunds

	No. Cases <u>Completed</u>	Total <u>Amount</u>	No. Cases <u>Pending</u>
Regular	172	\$2,555,303.16	12
Erroneous	14	86,058.06	16
Employer Share	3	31,764.02	7
Overpayment	<u>142</u>	<u>394,237.62</u>	<u>0</u>
Total	<u>331</u>	<u>\$3,067,362.86</u>	<u>35</u>

Death Benefits

<u>Types</u>	No. Completed <u>10/1/21-02/28/2022</u>	Amount <u>10/1/21-02/28/2022</u>	No. of Cases <u>Pending</u>
Active	13	\$391,369.98	43
Retired	<u>9</u>	<u>254,349.10</u>	<u>10</u>
Total	<u>22</u>	<u>\$ 645,719.08</u>	<u>53</u>

Accounting

Annuity Payments

No. of retirees as of March 15, 2022, payroll: **8,678**

Cumulative dollar paid out from October 15, 2021 – March 15, 2022

700	Pensioners	\$0.00	
702	Service Retirement Annuities	116,481,536.59	
703	Survivors' Annuities	798,895.08	
704	Duty-Connected Death Annuities	1,174.91	
705	Duty-Connected Disability Annuities	1,409,917.41	
706	Non-Duty Disability Annuities	694,053.23	
	Totals		\$119,385,577.22

Number of retirees **added to payroll** from October 1, 2021 – March 15, 2022. **152**

Number of retirees **added to the payroll** for the March 15, 2022, pay date. **15**

Number of retirees **expected to be placed on payroll** for the March 30, 2022, pay date: **14**

Number of retirees **deleted from payroll** from October 1, 2021, through March 15, 2022: **154**

Note: The Gross Retiree Payroll for the 3/15/22 payroll is **\$10,868,605.09**.

FY 2023 Budget Timeline – Exhibit C, Page 13

Update on RFP 2022 -01 Auditing Services

The RFP was advertised locally in the V.I. Daily News, Avis, and nationally in the Journal of Accountancy and Pension & Investments. The deadline for receipt of responses was February 15, 2022. Three firms submitted inquiries (1 local and 2 national). We received 1 response to the RFP from a small national firm. We extended the deadline to March 31, 2022 and invited larger national firms to bid.

Member Loans Portfolio

PERSONAL LOANS		DATE		
		2/28/2022	STT/STJ	STX
Active Personal Loans		1020	542	478
Retiree Personal Loans		631	367	264
Auto Loans		1	0	0
		1,652	909	742
MORTGAGES				
Construction/Home Improvement		20	11	9
Land		27	23	4
Purchase/Refinance		32	23	9
Totals		79	57	22
TOTAL LOANS & MORTGAGE				
		1,731	966	764
TOTAL OUTSTANDING				
	February 2022	Total	STT/STJ	STX
Active PL	-	\$ 8,825,179.63	\$ 5,104,466.67	\$ 3,720,712.96
Retiree PL	-	6,358,185.47	3,731,386.81	2,626,798.66
Auto PL	-	-		-
Purchase/Refi	-	1,568,521.56	1,112,240.35	456,281.21
Construction	-	2,039,079.83	1,219,327.08	819,752.75
Land Loans	-	530,746.63	492,250.27	38,496.36
GRAND TOTAL		\$19,321,713.12	\$11,659,671.18	\$ 7,662,041.94

Refund for Overpayments January 31, 2022

<u>No. of Units</u>	<u>Total</u>
25	\$15,439.91

At the end of the calendar year 2022 approximately 526 loans are schedule to mature.

Management is recommending the reinstatement of the Loan Program in a different form beginning FY 2025 (October 1, 2024) for personal loans and FY 2026 (October 1, 2025) for mortgages. The recommendations will be presented in detail in the Board Retreat.

Operations

St. Croix Office Complex

Environmental Conditions and Areas:

Mold Remediation Cleaning was completed during March 06 and 07, 2022. By Adcon Environmental Services LLC – Recommendations were made and implemented. There are a few areas that need new furniture as a result.

St. Thomas Office Complex

Safety

Annual Fire Safety Alarm Inspection completed. Of the 127 smoke alarms, 4 did not auto-detect and will be immediately remediated.

Environmental Conditions and Areas:

Mold Remediation Cleaning was completed March 17, 2022, by AdCon Environmental Services LLC on the 2nd and 3rd floors – Awaiting recommendations.

GERS Hip Roof

Section 4 completed (over Division of Personnel)

Work commenced on Section 3 (3rd floor receptionist area and lobby, Administrative Offices, Member Services, Loans, and Contributions Processing and hallways)

Reported issues of noise, vibration, minor leaks were reported. ARS notified. Safety Training Refresher on March 17, 2022, took place for all workers and supervisors on site.

6-7 weeks for completion of each section. Scheduled completion date July 2022 (subject to weather).

Air Conditioner Project

Update: Carrier is shipping new wiring equipment on March 29, 2022. The wiring has been on backorder for months. Existing wiring has passed its usefulness and is not compatible with the new technology and must be replaced to install the VAVs.

Next Steps:

Anticipated project completion date – 2nd to 3rd Quarter FY 2022.

Generator

Generator – The generator is currently not operable. The fuel injection pump is being rebuilt. Currently, the company is calibrating the rebuilt part. We anticipate arrival within the next 2-3 weeks. The generator is not operable until the part is replaced.

Scheduling a load test for a prospective new generator – Waiting on an appointment from Import Supply.

Rental and Electricity Collections – Exhibit A

	February 2022	Total FYTD	Arrearages
Rental	\$18,624.20	\$174,967.76	\$68,215.88
Electric	<u>725.04</u>	<u>67,957.60</u>	<u>52,958.59</u>
Total	<u>\$19,349.24</u>	<u>\$242,925.36</u>	<u>\$121,174.47</u>

LEASES

Division of Personnel - Property and Procurement requested Purchase Orders for the rental amounts from DOP to move the lease forward for the final signatures and a spreadsheet of payments. Additionally, Property and Procurement is requiring DOP to obtain a letter from DOF ensuring the validity of the Purchase Order.

Department of Justice – Update: Brief conversation held with Property and Procurement and Department of Justice for signatures.

COVID-19 Protocol

The GERS COVID-19 protocols remain in place until management is satisfied that the offices are safe to open up to the public. An email was sent to staff by Operations on March 15, 2022.

RENTAL – EXHIBIT A

	February 2022 Collection						
	Rental Collection	Electrical Collection	Rental Year-To-Date Collection for FY 2022	Electrical Year-To-Date Collection for FY 2022	Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage
Department of Justice	\$ -	\$ -			\$ -	\$ 37,063.00	\$ 25,624.90
Division of Personnel	-		52,757.76	51,926.28	104,684.04	13,189.44	26,714.41
FirstBank	290.20		1,451.00	537.03	1,988.03	-	-
Ophthalmology Consultants, LLC	6,365.40		31,827.00		31,827.00	-	-
Plessen Eye, LLC_ADMIN	-		12,027.84		12,027.84	8,018.56	-
Plessen Eye, LLC_ADMIN STORAGE	-		1,740.00		1,740.00	8,784.88	-
Plessen Eye, LLC_ASC	-		13,177.32		13,177.32	1,160.00	-
ResCare (JobCorps)	-	725.04	5,253.84	3,338.08	8,591.92	-	619.28
VI Housing Finance Authority	11,968.60		35,731.50	12,156.21	47,887.71	-	-
VI Casino		-	21,001.50	-	21,001.50	-	
Total income Received	\$ 18,624.20	725.04	174,967.76	67,957.60	242,925.36	68,215.88	52,958.59

RETURN TO WORK– EXHIBIT B

The Inspector General reported on 63 cases of retirees who had returned to work. An analysis of the status of these cases is as follows:

<u>Description</u>	<u>Number</u>	<u>Employee Cont Due</u>	<u>Employee Cont. Recd</u>	<u>SSA Employer Cont. Due</u>
Deceased	1	\$ 109,108	\$ -0-	n/a
Completed-Placed on payroll	23	270,077	270,077	47,736
Pending completion of case	9	n/a	n/a	n/a
Pending research	2	109,671	-0-	n/a
Research completed	9	n/a	n/a	n/a
Still an active employee	10	476,654	-0-	31,822
SSA-Employer contributions	3	339,203	141,922	36,910
Other – Board Appeals				
Pending/Under review/				
greement pending	<u>6</u>	<u>541,012</u>	<u>124,929</u>	<u>n/a</u>
	<u>63</u>	<u>\$ 1,845,725</u>	<u>\$ 536,928</u>	<u>\$ 116,468</u>

FY 2023 BUDGET TIMELINE – EXHIBIT C

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
FY 2023 Budget Timeline**

Divisions/Units Budgets

CFO's office releases budget calls to divisions/units including Havensight Mall
March 1, 2022

Preliminary Budget

CFO's office to Administrator – on or before June 30, 2022

Preliminary Budget Review/Adjustments

Administrator to CFO's office on or before July 15, 2022

Final Budget Review

CFO's office to Administrator - on or before July 25, 2022

Submit to Budget Committee

Administrator submits to Budget Committee - on or before August 1, 2022

**Mid-Year Review – FY 2022 Budget
Recommend Wednesday April 27, 2022**



**THE
GOVERNMENT EMPLOYEES'
RETIREMENT SYSTEM**

**SCHEDULE OF RECEIPTS
&**

DISBURSEMENTS

**PERIOD ENDING
February 28, 2022**

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
Schedule of Receipts and Disbursements
Month Ending February 28, 2022

	February-22	February-21	YTD Fiscal 2022	YTD Fiscal 2021
Receipts from collections				
Loan Repayment	\$ 815,061	\$ 875,568	\$ 4,363,388	\$ 6,176,247
Rent from Tenants/Utilities	\$ 218,793	\$ 24,272	\$ 408,441	\$ 203,881
Employer Retirement Contributions	\$ 7,731,339	\$ 8,209,749	\$ 39,809,504	\$ 39,251,262
Employee Retirement Contributions	\$ 3,878,481	\$ 4,211,539	\$ 20,089,405	\$ 19,973,371
Parking Facility	\$ 180	\$ 1,280	\$ 2,240	\$ 4,220
Miscellaneous	\$ 380,278	\$ 22,861	\$ 1,167,677	\$ 4,910,052
Total Collections	\$ 13,024,132	\$ 13,345,269	\$ 65,840,655	\$ 70,519,033
Disbursements				
Annuity Payments	\$ 21,966,836	\$ 21,624,577	\$ 111,515,704	\$ 109,529,443
Administrative Expenses	\$ 803,865	\$ 1,330,411	\$ 5,155,614	\$ 5,908,509
Personal Loans	\$ 3,639	\$ 5,415	\$ 44,933	\$ 117,460
Mortgage Loans	\$ 15,043	\$ 13,175	\$ 66,965	\$ 71,259
Retiree Loans	\$ 5,963	\$ 867	\$ 14,920	\$ 4,000
Land Loans	\$ -	\$ -	\$ 34	\$ -
Refund of Contributions	\$ 768,368	\$ 1,064,388	\$ 3,568,578	\$ 3,634,851
Total Disbursements	\$ 23,563,714	\$ 24,038,833	\$ 120,366,748	\$ 119,265,521
Net Cash Surplus/(Net Cash Deficit)	\$ (10,539,582)	\$ (10,693,564)	\$ (54,526,094)	\$ (48,746,488)

Synopsis

For the month of February 2022 GERS collected 55% (\$13,024,132) of what is needed for expenses (\$23,563,714); and collected 2% (\$321,137) less than it did for February 2021

Year to date collection at February 2022 was \$4.7 million less than year to date collection at February 2021

Year to date expenditure for FY 2022 was 1% (\$1,101,227) over the same period of FY2021

Year to date expenditure is 32% (\$5,155,614) of FY2022 budget

FY2022 and FY2021 year to date comparative breakdown for the Loan Repayment

	Fiscal Year 2022	Fiscal Year 2021
Principal	2,878,990	5,062,226
Interest	457,157	984,622
Escrow	59,078	129,399
**	3,395,225	6,176,247

**Please note that FY2022 total \$3,395,225 does not reflect the amount collected \$4,363,388 due to the posting "time" in V3

\$65,000,000 was withdrawn from the investment portfolio to meet the obligations of the Agency

GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

Supplemental Information February 2022

Loan Disbursements:

Personal Loans		
Refund	3,639	3,639
Mortgage Loans		
Insurance	15,043	15,043
Retiree Loans		
Refund	5,963	5,963
TOTAL		24,645

Miscellaneous:

Re-imbusement (Legal)	2,300
Re-imbusement (Vendor Refund)	7,929
Annuities (deceased pensioners checks)	11,847
Delinquent & Investment Fee	851
Structured Service Fees	795
VI Cost of Living Bonuses	356,556
TOTAL	380,278

HAVENSIGHT MALL
Schedule of Receipts and Disbursements
Month Ending February 28, 2022

	February-22	February-21	YTD Fiscal 2022	YTD Fiscal 2021
Receipts from collections				
Rents from Havensight Tenants	\$ 217,050	\$ 248,629	\$ 1,028,194	\$ 696,987
Miscellaneous	\$ 2,400	\$ -	\$ 17,848	\$ 8,125
Total Collections	\$ 219,450	\$ 248,629	\$ 1,046,043	\$ 705,112
Disbursements				
Personnel Services	\$ 79,122	\$ 38,559	\$ 405,497	\$ 396,250
Overtime	\$ 10,292	\$ -	\$ 53,677	\$ -
Fringe Benefits	\$ 37,021	\$ 20,509	\$ 188,593	\$ 191,234
Supplies	\$ 748	\$ 5,566	\$ 809	\$ 31,542
Other Services and Charges	\$ 97,291	\$ 3,538	\$ 225,106	\$ 56,986
Utilities	\$ 8,370	\$ 10,976	\$ 17,809	\$ 15,063
Capital Project	\$ 129,724	\$ 143,622	\$ 300,928	\$ 741,286
Total Disbursements	\$ 362,569	\$ 222,770	\$ 1,192,419	\$ 1,432,362
Net Cash Surplus/(Net Cash Deficit)	\$ (143,119)	\$ 25,860	\$ (146,376)	\$ (727,250)

Synopsis

For the month February 2022, Havensight Mall collected 61% of what was needed for expenses

Year to date collections increased by 48% or \$340,930 over last fiscal year to date collections

Year to date expenditure was 17% or \$239,944 under last fiscal year to date expenditure

Fiscal Year 2022 Havensight Mall expenses were 35% of budget.

Monthly Performance & Update

Total Plan Performance

- o Total Plan returned -0.6% for the month
- o Total Fixed Income's -0.9% return outperformed its benchmark by 0.3%
- o Total Alternative's 0.3% return outperformed its benchmark by 3.0%

Notable Fund Performance

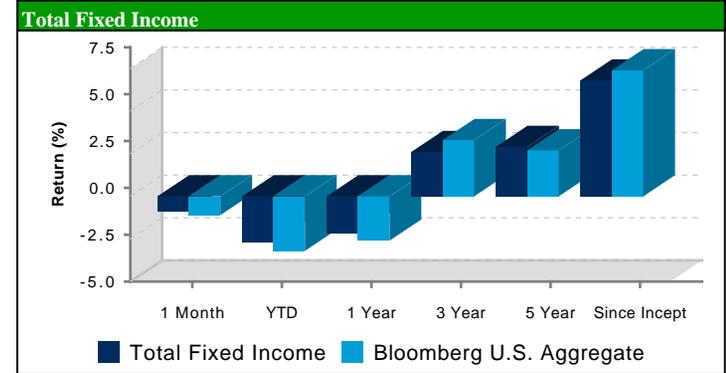
- o Pugh Capital returned -1.2% underperformed its benchmark by -0.1%
- o Blackrock US Debt returned -1.1%

Compliance Updates

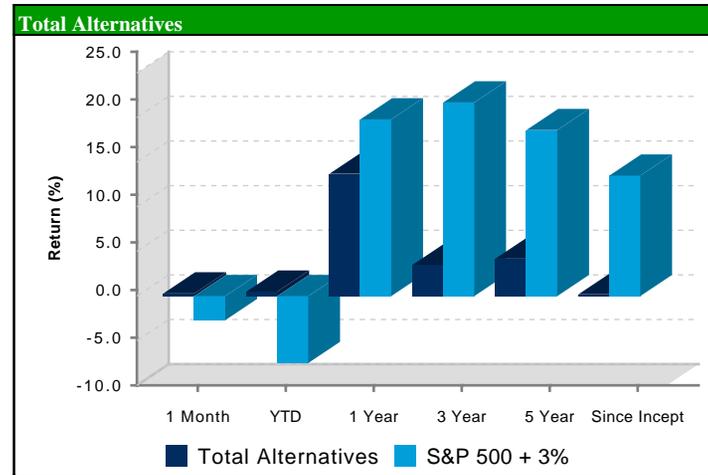
- o No updates for the month



	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Plan	-0.6	-2.1	0.7	3.9	5.3	8.4

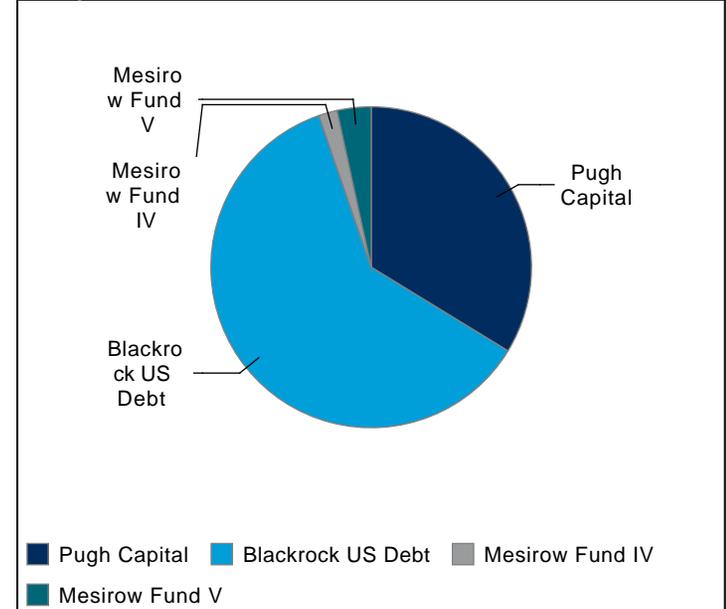


	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Fixed Income	-0.9	-2.7	-2.2	2.6	2.9	6.8
Bloomberg U.S. Aggregate	-1.1	-3.2	-2.6	3.3	2.7	7.4
Excess	0.3	0.6	0.5	-0.7	0.1	-0.5



	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Alternatives	0.3	0.5	13.7	3.5	4.2	0.2
S&P 500 + 3%	-2.7	-7.5	19.8	21.7	18.6	13.5
Excess	3.0	8.0	-6.1	-18.2	-14.4	-13.3

Manager Allocation



*Total Alternatives performance excludes Member Loan Program, STT Office Complex, and STX Office Complex

RS OF USVI

February 28, 2022

Monthly Cash Flow Update

Cash Flow

- o Ended month at approximately \$364.7 million*
- o No funds raised in the month of February

Investment Management/Custodian/Consulting Fees

- o \$14 thousand MTD
 - Custodian bank \$14 thousand
- o \$45 thousand Calendar YTD
 - Investment consultant \$31 thousand
 - Custodian bank \$14 thousand
- o \$147 thousand Fiscal YTD
 - Investment management \$71 thousand
 - Investment consultant \$62 thousand
 - Custodian bank \$14 thousand

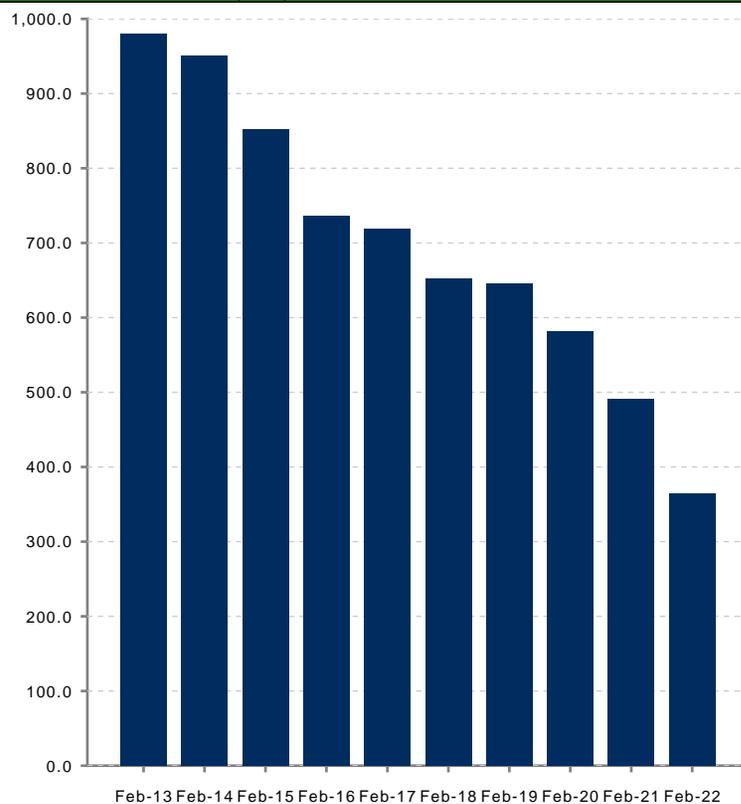
Securities Lending

- o MTD earnings \$270
- o YTD earnings \$700
- o FYTD earnings \$2,210

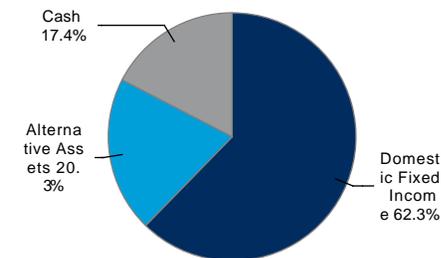
Record of Asset Growth

	<u>One Month</u>	<u>Year to Date</u>	<u>One Year</u>
Total Plan			
Beginning Market Value	382,061,897	407,753,234	490,531,602
Net Cash Flow	-15,013,764	-35,013,764	-130,440,641
Income	397,890	755,623	4,175,198
Gain/Loss	-2,785,253	-8,834,324	394,611
Ending Market Value	364,660,770	364,660,770	364,660,770

Net Asset Value over Time (\$000)



Asset Allocation



Allocation Market Values

	<u>Ending Market Value in Millions</u>
Domestic Fixed Income	227.07
Alternative Assets	74.11
Cash	63.48

* Excludes: Members Loan Program - (MV) \$20 million, STT Office Complex - (MV) \$8 million, and STX Office Complex - (MV) \$3.3 million.

REGULAR

SESSION

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

ADMINISTRATOR'S REPORT

Regular Board Meeting

February 24, 2022

ADMINISTRATOR'S REPORT

Contents

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Accounting – Retiree Payroll	6
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Operations (Buildings)	8
Rentals/Leases	9
Exhibit A – Rentals	10
Exhibit B – Return to Work Analysis	11
Exhibit C - FY 2023 Budget Timeline	12

Meetings, Presentations, and Appearances

- January 28th Internal team meetings Re: Havensight Mall easement issue.
- Special GERS Board meeting Re Settlement Agreement.
- 31st Testified before Committee of the Whole Re: Bill No. 34-0188.
- February 1st Testified before the Committee of Finance Re: Bill No 34-0171 (RTW).
- 2nd Internal team meeting to discuss WICOs claim.
- Director of Energy Re: Funding opportunities for Havensight Mall micro grid.
- Internal team meeting to discuss power generation at the STT Complex.
- Special Meeting with Havensight Mall Oversight Committee to review HKTs Report.
- 3rd WICO to discuss easement and claims.
- 4th Internal team meeting with Member Services Re: Status of RTW cases.
- JLL Re: Term Sheet.
- 7th Special Havensight Mall Oversight Committee meeting to discuss HKTs recommendations.
- 8th Special GERS Board meeting.
- 9th Internal team meeting with senior staff and managers Re: Bill No. 34-0171 and effects on the V3.
- JLL Re: Term Sheet.
- Governor/Team and GERS Board Re: Settlement Agreement.
- 15th WAPA management Re: Outstanding Deductions.
- 16th Meeting with investor interested in the vacant properties.
- 18th Meeting with Vitech (software provider) Re: Bill No. 34-0171.

Member Services

Retirement Applications - as of February 15, 2022

	<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>Total</u>
STX	147	111	118	178	143	114	146	15	
STT	<u>147</u>	<u>164</u>	<u>127</u>	<u>224</u>	<u>172</u>	<u>123</u>	<u>167</u>	<u>07</u>	
Total	294	275	245	402	315	237	313	22	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>227</u>	<u>164</u>	<u>0</u>	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>10</u>	<u>149</u>	<u>22</u>	<u>183*</u>
	99%	100%	100%	99%	100%	96%	52%	0%	

Disability Life Certificates / Disability Cases – As of February 10, 2022

2020 Duty/Non-Duty Disability Life Certificate Distribution

71 – U.S. Mainland
160 – Virgin Islands
 231 (Initial letters were dated 2/20/2020 with 3/20/2020 response deadline.)

Follow Up

(Letters were dated 10/28/2020 with 11/30/2020 response deadline. Three (3) responses remain pending)

225	Validated
0	Benefits Suspended
3	Deceased
3	Receipt of Life Certificate Pending
231	

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.

Status Update: The Member Services Division mailed 231 Disability Life Certificates. We were able to validate those 225 individuals were alive. We identified 3 individuals who were deceased and they had subsequently removed them from the Retirees' Payroll. We are still awaiting responses from three (3) individuals. Please note that these individuals are not currently being issued a retirement annuity payment.

We will conduct another Duty/Non-Duty Disability Life Certificate Distribution by March 2022.

DISABILITY CASES

A total of **six (6)** disability cases are pending at various stages.

REASONS PENDING

In Person Medical Exams	2
Internal Legal	4
Total Pending Disabilities	6

**Compliance and Control - Contribution Processing
 October 1, 2021 – January 31, 2022**

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. Cases Pending</u>
Regular	122	\$2,076,331.17	34
Erroneous	10	81,625.58	20
Employer Share	2	30,846.90	8
Overpayment	<u>125</u>	<u>252,714.43</u>	<u>0</u>
Total	<u>259</u>	<u>\$1,863,963.80</u>	<u>187</u>

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/21-01/31/2022</u>	<u>Amount 10/1/21-01/31/2022</u>	<u>No. of Cases Pending</u>
Active	8	\$285,476.96	47
Retired	<u>6</u>	<u>164,529.22</u>	<u>12</u>
Total	<u>14</u>	<u>\$ 450,006.18</u>	<u>59</u>

Accounting Department

Annuity Payments

Number of retirees as of February 15, 2022, payroll: **8,672**

Cumulative dollar paid out from October 15, 2021 – February 15, 2022

700	Pensioners	\$0.00	
702	Service Retirement Annuities	95,278,530.27	
703	Survivors' Annuities	652,644.87	
704	Duty-Connected Death Annuities	961.29	
705	Duty-Connected Disability Annuities	1,153,568.79	
706	Non-Duty Disability Annuities	567,434.67	
	Totals		\$97,653,139.89

Number of retirees **added to payroll** from October 1, 2021 – February 15, 2022. **122**

Number of retirees **added to the payroll** for the February 15, 2021, pay date: **15**

Number of retirees **expected to be placed on payroll** for the February 28, 2021, pay date: **14**

Number of retirees **deleted from payroll** from October 1, 2021, through February, 2022: **130**

Note: The Gross Retiree Payroll for pay date February 15, 2022 is \$10,846,208.93.

Member Loans Portfolio

PERSONAL LOANS	DATE		
	1/31/2022	STT/STJ	STX
Active Personal Loans	1041	554	487
Retiree Personal Loans	673	393	280
Auto Loans	1	0	0
Total Personal Loans	1,715	947	767
MORTGAGES			
Construction/Home Improvement	21	11	10
Land	27	23	4
Purchase/Refinance	33	23	10
Total Mortgage Loans	81	57	24
TOTAL LOANS & MORTGAGES	1,796	1,004	791
TOTAL OUTSTANDING			
	Total	STT/STJ	STX
Active PL -	\$ 9,034,434.81	\$ 5,213,150.93	\$ 3,821,283.88
Retiree PL -	6,903,003.70	4,050,451.77	2,852,551.93
Auto PL -	-		-
Purchase/Refi -	1,741,562.13	1,176,136.80	565,425.33
Construction -	2,044,344.53	1,221,402.89	822,941.64
Land Loans -	533,548.57	495,052.21	38,496.36
GRAND TOTAL	\$ 20,256,893.74	\$ 12,156,194.60	\$ 8,100,699.14

Refund for Overpayments January 31, 2022

<u>No. of Units</u>	<u>Total</u>
14	\$5,909.07

At the end of the calendar year 2022 approximately 526 loans are schedule to mature.

Management will be submitting a plan to the Board to recommend reinstating the Loan Program in a different form beginning FY 2024 (October 1, 2023). Reinstatement will be contingent on GERS receiving the 30 years funding from the GVI.

Operations

St. Croix Office Complex

- Pending Mold Remediation

St. Thomas Office Complex

Hip Roof Replacement

- Update: Roof repairs began. There were a few issues reported such as noise, vibration, minor leaks, and tools falling through in the DOP area. The GERS and contractor held a safety meeting and extend of damages.

Air Conditioner Project

- Anticipated project completion date – 2nd to 3rd Quarter FY 2022.
- WAPA outages causing chiller “Self-Protection Shut Off”

OTHER ONGOING CAPITAL PROJECTS.

- Sneeze Guard Installation completed on workstations.
- **Transformer Replacements** –Transformers installation completed.
- **Fencing Repair and Construction at GERS Main**
 - Fencing Repair Project completed.
- **Air quality testing**
 - Received two quotes for Mold remediation; selected a vendor to begin work
- Generator – Scheduling a load test for a prospective new generator

Havensight Mall

White House Annex

Ad Con awarded project. Shredding began on February 15, 2022.

Rental and Electricity Collections – Exhibit A

	January 2021	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$12,639.90	\$156,343.56	\$16,717.29
Electric	<u>57,406.85</u>	<u>67,957.60</u>	<u>41,122.44</u>
Total	<u>\$70,046.75</u>	<u>\$224,301.16</u>	<u>\$57,839.73</u>

LEASES

Division of Personnel - No new update – Still awaiting final signatures.

Department of Justice – Awaiting signatures of Property and Procurement and Department of Justice.

Return to Work Analysis – Exhibit B, Page 11

Employee Contributions

Total due	\$1,845,725
Less: Received	<u>536,928</u>
Balance due	<u>\$1,214,583</u>

Employer contributions due from SAAs
\$116,468

Note: We are accumulating a listing of retirees (police officers, nurses, and teachers) who returned to work under the current law (return for 2 years, retaining annuity, no contributions due, no recalculation of annuity).

FY 2023 Budget Timeline – Exhibit C, Page 12

Update on RFP 2022 -01 Auditing Services

The RFP was advertised locally in the V.I. Daily News, Avis, and nationally in the Journal of Accountancy and Pension & Investments. The deadline for receipt of responses was February 15, 2022. Three firms submitted inquiries (1 local and 2 national). We received 1 response from a small national firm. We will extend the deadline to March 31, 2022 and invite larger national firms to bid.

EXHIBIT A

RENTAL

	January 2022 Collection				Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage
	Rental Collection	Electrical Collection	Rental Year-To- Date Collection for FY 2022	Electrical Year-To- Date Collection for FY 2022			
Department of Justice	\$ -	\$ -			\$ -	\$ -	\$ -
Division of Personnel	-	51,926.28	52,757.76	51,926.28	104,684.04	-	14,408.03
FirstBank	290.20	116.64	1,160.80	537.03	1,697.83	-	-
Ophthalmology Consultants, LLC	6,365.40		25,461.60		25,461.60	-	-
Plessen Eye, LLC_ADMIN	-	-	12,027.84		12,027.84	4,009.28	-
Plessen Eye, LLC_ADMIN STORAGE	-	-	1,740.00		1,740.00	580.00	-
Plessen Eye, LLC_ASC	-	-	13,177.32		13,177.32	4,392.44	-
ResCare (JobCorps)	-	586.76	5,253.84	3,338.08	8,591.92	1,751.27	-
VI Housing Finance Authority	5,984.30	4,777.17	23,762.90	12,156.21	35,919.11	5,984.30	26,714.41
VI Casino		-	21,001.50	-	21,001.50	-	-
Total income Received	\$ 12,639.90	57,406.85	156,343.56	67,957.60	224,301.16	16,717.29	41,122.44

RETURNED TO WORK

The Inspector General reported on 63 cases of retirees who had returned to work. An analysis of the status of these cases is as follows:

<u>Description</u>	<u>Number</u>	<u>Employee Cont Due</u>	<u>Employee Cont. Recd</u>	<u>SSA Employer Cont. Due</u>
Deceased	1	\$ 109,108	\$ -0-	n/a
Completed-Placed on payroll	23	270,077	270,077	47,736
Pending completion of case	9	n/a	n/a	n/a
Pending research	2	109,671	-0-	n/a
Research completed	9	n/a	n/a	n/a
Still an active employee	10	476,654	-0-	31,822
SSA-Employer contributions	3	339,203	141,922	36,910
Other – Board Appeals				
Pending/Under review/ agreement pending	<u>6</u>	<u>541,012</u>	<u>124,929</u>	<u>n/a</u>
	<u>63</u>	<u>\$ 1,845,725</u>	<u>\$ 536,928</u>	<u>\$ 116,468</u>

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

FY 2023 Budget Timeline

Divisions/Units Budgets

CFO's office releases budget calls to divisions/units including Havensight Mall
NLT March 1, 2022

Preliminary Budget

CFO's office to Administrator – on or before June 30, 2022

Preliminary Budget Review/Adjustments

Administrator to CFO's office on or before July 15, 2022

Final Budget Review

CFO's office to Administrator - on or before July 25, 2022

Submit to Budget Committee

Administrator submits to Budget Committee - on or before August 1, 2022

**Mid-Year Review – FY 2022 Budget
Recommend Wednesday April 27, 2022**



**THE
GOVERNMENT EMPLOYEES'
RETIREMENT SYSTEM**

**SCHEDULE OF RECEIPTS
&**

DISBURSEMENTS

**PERIOD ENDING
January 31, 2022**

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
Schedule of Receipts and Disbursements
Month Ending January 31, 2022

	January-22	January-21	YTD Fiscal 2022	YTD Fiscal 2021
Receipts from collections				
Loan Repayment	\$ 815,345	\$ 1,404,899	\$ 3,548,326	\$ 5,300,679
Rent from Tenants/Utilities	\$ 59,032	\$ 34,078	\$ 189,648	\$ 179,609
Employer Retirement Contributions	\$ 8,459,575	\$ 10,031,290	\$ 32,078,166	\$ 31,041,513
Employee Retirement Contributions	\$ 4,058,951	\$ 5,232,046	\$ 16,210,924	\$ 15,761,832
Parking Facility	\$ 340	\$ 295	\$ 2,060	\$ 2,940
Miscellaneous	\$ 18,824	\$ 329,301	\$ 787,399	\$ 4,887,192
Total Collections	\$ 13,412,067	\$ 17,031,909	\$ 52,816,523	\$ 57,173,764
Disbursements				
Annuity Payments	\$ 21,891,738	\$ 21,758,920	\$ 89,548,869	\$ 87,904,866
Administrative Expenses	\$ 999,925	\$ 808,912	\$ 4,351,749	\$ 4,578,098
Personal Loans	\$ 4,445	\$ 15,642	\$ 41,294	\$ 112,045
Mortgage Loans	\$ 1,863	\$ 29,580	\$ 51,922	\$ 58,084
Retiree Loans	\$ 468	\$ 334	\$ 8,957	\$ 3,133
Land Loans	\$ -	\$ -	\$ 34	\$ -
Refund of Contributions	\$ 747,482	\$ 328,216	\$ 2,800,210	\$ 2,570,463
Total Disbursements	\$ 23,645,921	\$ 22,941,604	\$ 96,803,034	\$ 95,226,688
Net Cash Surplus/(Net Cash Deficit)	\$ (10,233,854)	\$ (5,909,695)	\$ (43,986,511)	\$ (38,052,924)

Synopsis

For the month of January FY2022 GERS collected 57% (\$13,417,842) of what is needed for expenses (\$23,645,921); and collected 21% (\$3,614,067) less than it did for January FY2021

Year to date collections for FY2022 was 8% (\$4,319,787) less than the same period of FY2021

Year to date expenditure for FY2022 was 2% (\$1,576,346) over the same period of FY2021

Year to date expenditure is 27% (\$4,351,749) of FY2022 budget

FY2022 and FY2021 year to date comparative breakdown for the Loan Repayment:

	FY2022	FY2021
Principal	2398786	4330023
Interest	385311	862074
Escrow	50112	108582
**	2834209	5300679

**Please note that FY2022 total \$2,834,209 does not reflect the report total \$3,548,326, due to the posting "time" in V3

\$50,000,000 was withdrawn from the investment portfolio to meet the obligations of the Agency

GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

Supplemental Information January 2022

Loan Disbursements:

Personal Loans		
Refund	4,445	4,445
Mortgage Loans		
Insurance	1,863	1,863
Retiree Loans		
Refund	468	468
TOTAL		6,776

Miscellaneous:

Re-imbusement (Legal)	2,300
Re-imbusement (Credit Card)	454
Annuities (deceased pensioners checks)	12,519
Delinquent & Investment Fee	2,623
Overpayment	8
Structured Service Fees	920
TOTAL	18,824

GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

ADMINISTRATIVE EXPENSES FISCAL YEAR 2022

	10/31/21	11/30/21	12/31/21	01/31/22	Total
Personnel Services	359,796	413,895	561,672	371,436	1,706,799
Fringe Benefits	146,596	143,644	162,937	182,249	635,426
Supplies	21,948	8,275	43,951	6,380	80,554
Other Services and Charges	362,272	547,678	309,300	310,820	1,530,071
Utilities	12,629	159,390	11,028	104,959	288,007
Capital Outlay	-	83,555	34,997	29,856	148,408
Subtotal	903,241	1,356,436	1,123,886	1,005,700	4,389,264
Reimbursement Electricity	(30,164)	(685)	(890)	(5,775)	(37,515)
Total	\$ 873,077	\$ 1,355,751	\$ 1,122,996	\$ 999,925	\$ 4,351,749

HAVENSIGHT MALL
Schedule of Receipts and Disbursements
Month Ending January 31, 2022

	January-22	January-21	YTD Fiscal 2022	YTD Fiscal 2021
Receipts from collections				
Rents from Havensight Tenants - net	\$ 201,969	\$ 90,234	\$ 811,144	\$ 448,358
Miscellaneous	\$ 10,059	\$ -	\$ 15,448	\$ 8,125
Total Collections	\$ 212,028	\$ 90,234	\$ 826,592	\$ 456,483
Disbursements				
Personnel Services	\$ 88,884	\$ 121,647	\$ 369,760	\$ 357,691
Fringe Benefits	\$ 40,403	\$ 60,810	\$ 151,572	\$ 170,725
Supplies	\$ -	\$ 5,995	\$ 61	\$ 25,976
Other Services and Charges	\$ 76,768	\$ 3,686	\$ 127,814	\$ 53,449
Utilities	\$ 777	\$ 90	\$ 9,439	\$ 4,088
Capital Project	\$ -	\$ 91,477	\$ 171,204	\$ 597,664
Total Disbursements	\$ 206,833	\$ 283,705	\$ 829,849	\$ 1,209,593
Net Cash Surplus/(Net Cash Deficit)	\$ 5,196	\$ (193,471)	\$ (3,257)	\$ (753,110)

Synopsis

For the month January 2022, Havensight Mall expenditure was 98% of collections

Year to date collections increased by 81% or \$370,109 over last fiscal year to date collections

Year to date expenditure was 31% or \$379,744 under last fiscal year to date expenditure

Fiscal Year 2022 Havensight Mall expenses were 24% of budget.

Monthly Performance & Update

Total Plan Performance

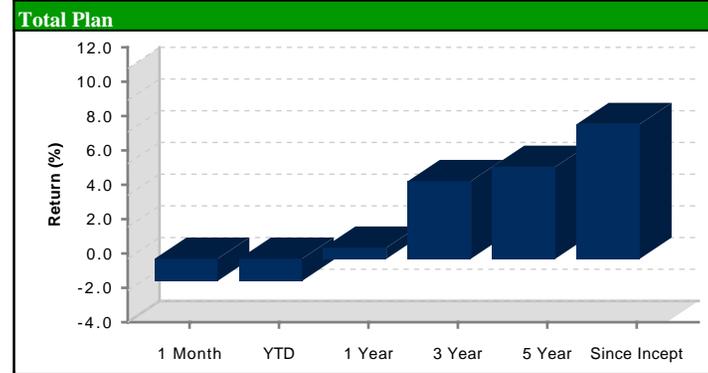
- o Total Plan returned -1.4% for the month
- o Total Fixed Income's -1.8% return outperformed its benchmark by 0.3%
- o Total Alternative's 0.2% return outperformed its benchmark by 5.1%

Notable Fund Performance

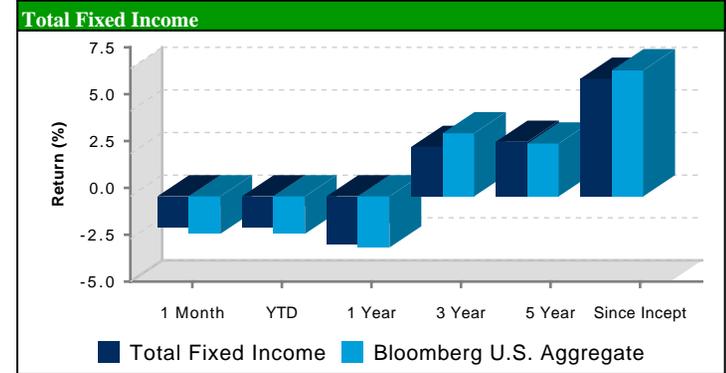
- o Pugh Capital returned -2.1% outperformed its benchmark by 0.06%
- o Blackrock US Debt returned -2.1%

Compliance Updates

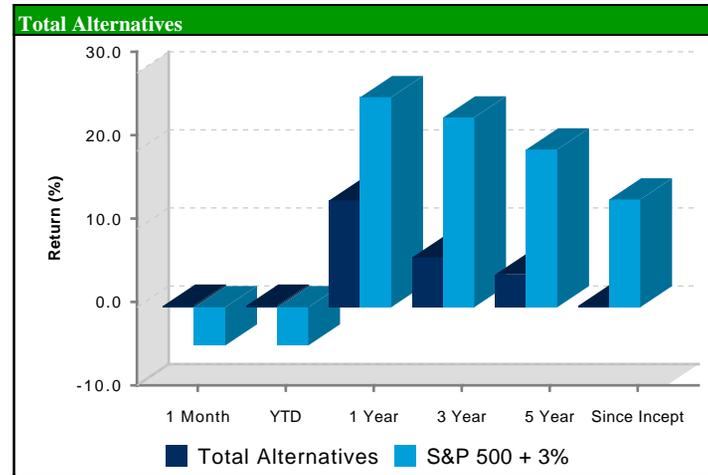
- o No updates for the month



	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Plan	-1.4	-1.4	0.7	4.9	5.8	8.5

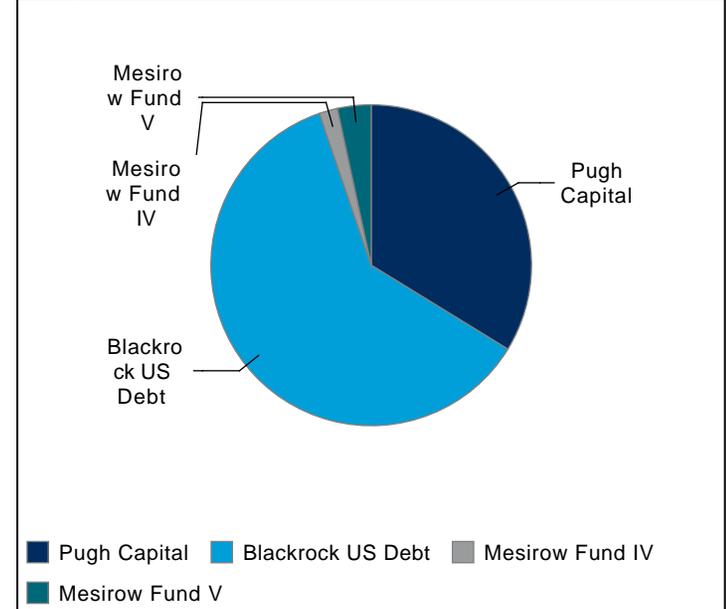


	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Fixed Income	-1.8	-1.8	-2.8	2.9	3.2	6.9
Bloomberg U.S. Aggregate	-2.2	-2.2	-3.0	3.7	3.1	7.4
Excess	0.3	0.3	0.2	-0.8	0.1	-0.5



	1 Month	YTD	1 Year	3 Year	5 Year	Since Incept
Total Alternatives	0.2	0.2	13.7	6.4	4.2	0.2
S&P 500 + 3%	-4.9	-4.9	26.9	24.3	20.2	13.8
Excess	5.1	5.1	-13.2	-17.9	-16.0	-13.6

Manager Allocation



*Total Alternatives performance excludes Member Loan Program, STT Office Complex, and STX Office Complex

REGS OF USVI
January 31, 2022

Monthly Cash Flow Update

Cash Flow

- o Ended month at approximately \$382.1 million*
- o Raised \$40 million in the month of January
 - \$40 million from Blackrock US Debt Fund

Investment Management/Custodian/Consulting Fees

- o \$31 thousand MTD
 - Investment consultant \$31 thousand
- o \$31 thousand Calendar YTD
 - Investment consultant \$31 thousand
- o \$133 thousand Fiscal YTD
 - Investment management \$71 thousand
 - Investment consultant \$62 thousand

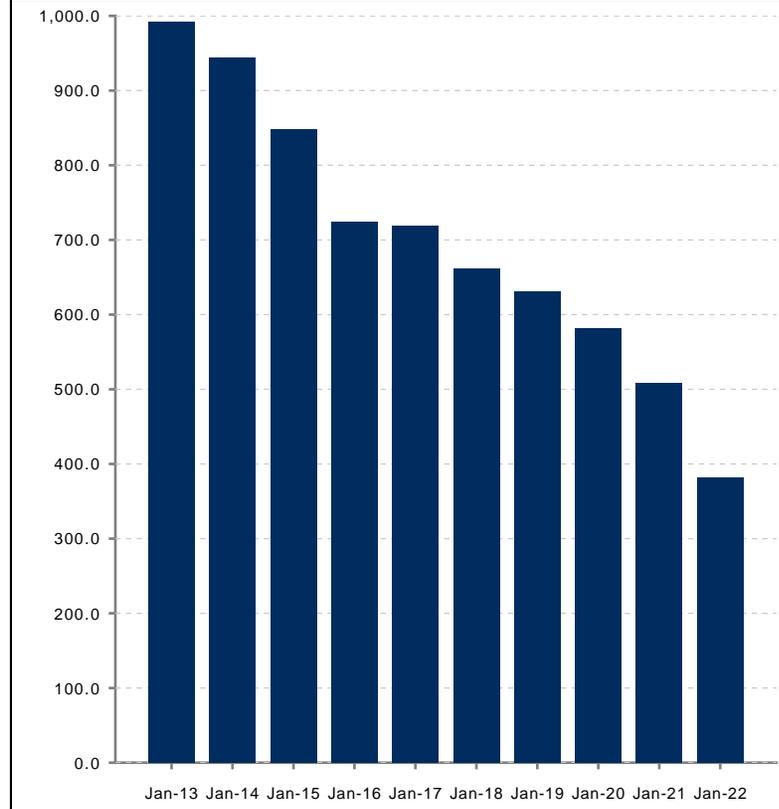
Securities Lending

- o MTD earnings \$440
- o YTD earnings \$440
- o FYTD earnings \$1,940

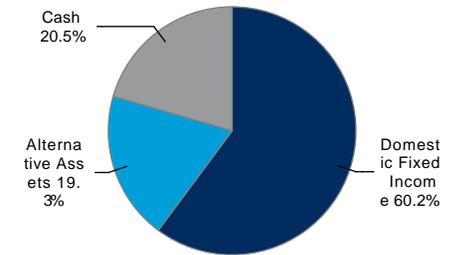
Record of Asset Growth

	<u>One Month</u>	<u>Year to Date</u>	<u>One Year</u>
Total Plan			
Beginning Market Value	407,753,234	407,753,234	507,874,834
Net Cash Flow	-20,000,000	-20,000,000	-129,426,877
Income	357,733	357,733	4,191,471
Gain/Loss	-6,049,071	-6,049,071	-577,530
Ending Market Value	382,061,897	382,061,897	382,061,897

Net Asset Value over Time (\$000)



Asset Allocation



Allocation Market Values

	<u>Ending Market Value in Millions</u>
Domestic Fixed Income	229.67
Alternative Assets	73.90
Cash	78.49

* Excludes: Members Loan Program - (MV) \$21 million, STT Office Complex - (MV) \$8 million, and STX Office Complex - (MV) \$3.3 million.

EXTENSION OF EMPLOYMENT AGREEMENT

THIS AGREEMENT made and entered into this 7th day of March, 2022 by and between The Board of Trustees of the Government Employees' Retirement System of the Virgin Islands of 48B-50C Kronprindsens Gade, St. Thomas, Virgin Islands 00802 (hereinafter “the Board” or “GERS”) and Austin L. Nibbs, an individual, of 59E Caret Bay, P.O. Box 7637, St. Thomas, Virgin Islands 00801 (hereinafter “Nibbs”).

WITNESSETH:

WHEREAS, the above referenced parties entered into an employment agreement dated December 22, 2021; and

WHEREAS, the December 22, 2021 Agreement will expire on March 31, 2022; and

WHEREAS, the parties desire to extend the above referenced agreement upon the same terms and conditions.

NOW THEREFORE, for and in consideration of mutual promises herein and other valuable consideration, the parties agree as follows:

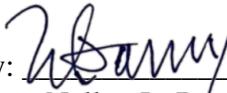
It is agreed that the December 22, 2021 Agreement is extended until September 30, 2022 upon the same terms and conditions.

IN WITNESS WHEREOF the parties have hereunto set their hands on the day and year first above written.

ATTEST:

Government Employees' Retirement System

By: _____
Asiah Clendinen Gumbs
COO

By:  _____
Nellon L. Bowry
Chairman

WITNESSES:

By: _____
Austin L. Nibbs
Administrator/CEO

EXECUTIVE

SESSION

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

March 24, 2022

The Regular Meeting of the Board of Trustees for March 24, 2022 was called to order at 9:34 am. The meeting was held via Zoom. At roll call, Trustees present were Trustee Callwood, Dorsey, Liger, Russell, Smith, and Bowry. Trustee not present during the roll call was McDonald. A quorum was established with 6 trustees present and 1 absent (McDonald). Ex-officio member Cindy Richardson submitted a letter to be excused.

Staff in attendance: Austin Nibbs, Administrator, Cathy Smith, General Counsel, Ishmael Meyers, Deputy General Counsel, Denise Jeremiah, CFO, Asiah Clendinen Gumbs, COO, Glenville Henderson, Investment Analyst, LeSean Moses, IT, and Nikia Coley, Administrative Assistant to the Board of Trustees.

Also, present in the meeting were Pedro K. Williams, Board Counsel and Kelsha Williams (Associate Pedro Williams Law Offices), Desiree Hill, Stenographer, and Johnathan Walk (JLL), and Aldwin Frias, VP, Actuary (Segal).

Comments and Suggestions from Retirees and Active Members

There were no comments or suggestions from retirees or active members.

Before the vote for the approval of the Secretary's minutes was taken, Trustees Dorsey and Russell stated that they had to leave the meeting by noon. Trustee Dorsey made a motion to reorder the agenda to go into executive session to take up the executive session items which was seconded by Trustee Russell. The motion passed 5 yes (Dorsey, Liger, Russell, Smith, and Bowry) and 2 absent (Callwood and McDonald).

The Chairman asked Attorney Smith to contact the individuals that will be presenting in executive session to see if they are available since they were scheduled to be available later in the meeting.

The Chairman asked that the board address the items that are on the agenda in regular session (extension of the contract for Nikia Coley and the ratification of the extension of the contract for the Administrator).

Motion made by Trustee Smith and seconded by Callwood to extend the contract for Nikia Coley for 1 year. The motion passed 4 yes (Callwood, Russell, Smith, and Bowry), and 1 not voting (Dorsey), and 2 absent (Liger and McDonald).

Motion was made by Trustee Smith and seconded by Trustee Callwood to ratify the vote to extend the contract for the Administrator until September 30, 2022. The motion passed 4 yes (Callwood, Liger, Smith, and Bowry), 2 not voting Dorsey and Russell), and 1 absent (McDonald).

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

March 24, 2022

Motion made by Trustee Smith and seconded by Trustee Russell to go into executive session to discuss 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.

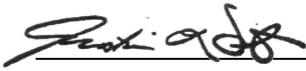
Executive Session

A motion was made by Trustee Dorsey and seconded by Trustee Russell to come out of executive session. The motion passed 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry) and 2 absent (McDonald and Smith).

Regular Session

A motion was made by Trustee Russell and seconded by Trustee Dorsey to come out of executive session. The motion passed 5 yes (Callwood, Dorsey, Liger, Russell, and Bowry) and 2 absent (McDonald and Smith).

The meeting adjourned at approximately 11:31pm.



Austin L. Nibbs, CPA, CGMA
Administrator/CEO
Secretary, GERS Board of Trustees