

Government Employees Retirement System

Minutes of Board of Trustees Special Meeting

Thursday, November 7, 2013

The Special Meeting of the Board of Trustees was held in the St. Croix Boardroom and via videoconference from the St. Thomas Conference Room. The meeting was called to order at 9:56am. At roll call, Trustees present were Vincent Liger, Chairman, Wilbur Callender, Vice Chairman, Carol Callwood, Desmond Maynard and Edgar Ross. Raymond James and Leona Smith were not in attendance at roll call. They arrived later.

Staff in attendance: Austin Nibbs, Administrator, Anthony J. Selkridge, Assistant Administrator and Bruce Thomas, Investment Officer. Cathy M. Smith, General Counsel, Grasilda H. Dobbins, Chief Financial Officer and Shoran Sasso, Director, Member Services participated by videoconference from St. Thomas.

Also in attendance: Pedro K. Williams, Board Counsel. The stenographer was Yvonne Setorie.

Regular Session.

Upon the recommendation made by the Administrator, a motion was made by Trustee Ross and seconded by Trustee James to amend the agenda to include the items related to Carambola that were approved in the Carambola Northwest, LLC Board meeting on November 6, 2013. Motion passed 7 yes.

There was a lengthy general discussion whether the discussion of the Settlement Agreement between the GVI and GERS should be in Regular or Executive Session. Trustee Ross and the Administrator positions were that the discussion should be in Regular Session because the Governor had discussed the Settlement Agreement in the public.

Motion was made by Trustee Maynard and seconded by Trustee Smith to go into Executive Session to discuss the Settlement Agreement. Motion failed – 2 yes, 4 no (Callender, Callwood, James and Ross) and 1 not voting (Liger).

Trustee Ross position was that the GERS should follow the law and that the Governor's position not to pay lost investment is asking GERS not to follow the law. He felt that we do not need to meet with the Governor again because the Governor has stated his position. Trustee Smith felt that GERS does not need to meet with the Governor again because he has stated that the GVI will not pay lost investment. Trustee Callender felt the same way that GERS will be wasting time to go back to the Governor. Trustee Callwood felt the same way. Trustee Maynard felt that GERS should meet with the Governor one more time. Trustee James felt that GERS should negotiate an installment plan with the GVI to pay the lost investment.

Chairman Liger stated after the discussion that he will arrange for a meeting with the Governor one more time to discuss the Settlement Agreement.

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The Administrator reported the selection of the additional Board members for the Carambola Northwest LLC (CNN, LLC) Board in the CNN, LLC Board meeting on November 6, 2013. The selections are Earl M. Powell-STX and Pamela Richards Samuel-STT/STJ.

Motion made by Trustee Smith and seconded by Trustee Callwood to accept both Powell and Richards as members of the CNN, LLC Board. Motion passed 5 yes, 1 not voting (Maynard) and 1 absent (James).

The Administrator reported that the CNN, LLC Board approved an expenditure for replacing asphalt with concrete on certain areas of the Carambola property. Northshore Partners (NSP) submitted a quote for \$110,302.00. The Administrator recommended that two additional quotes should be obtained.

Another quote was submitted by NSP to make repairs to buildings 1-6 in the amount of \$161,615.14. The Administrator recommended that since NSP was the contractor presently on contract making the repairs and renovations to the units, this additional work is within their scope of work and they should be awarded the work.

Motion made by Trustee Ross and seconded by Trustee Callwood to approve the expenditures for the Carambola property for the concrete versus asphalt not to exceed \$110,000.00 and buildings 1 – 6 in the amount of \$161,615.14. Motion passed 7 yes.

Motion made by Trustee James and seconded by Trustee Callender to go into Executive Session. Motion passed 7 yes.

Executive Session.

Motion made by Trustee Ross and seconded by Trustee Callender to come out of Executive Session. Motion passed 6 yes and 1 absent (Smith).

Regular Session.

Motion made by Trustee Ross and seconded by Trustee James to accept Seaborne Airlines Term Sheet except for giving up exclusive rights without GERS consent. Motion passed 3 yes, 1 no (Callwood), 2 not voting (Maynard and Liger) and 1 absent (Smith).

Motion made by Trustee Ross and seconded by Trustee James to accept the recommendation of the financial consultant regarding the Orbitel proposal. Motion passed 4 yes, 2 no (Maynard and Liger) and 1 absent (Smith).

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Motion made by Trustee James and seconded by Trustee Ross to amend Standard International Group's Carambola contract to increase it by \$75,000.00 for due diligence and financial analysis work from September 7, 2012 through December 31, 2013. Motion passed 6 yes and 1 absent (Smith).

Motion made by Trustee Callwood and seconded by Trustee Ross to adjourn the meeting.

The meeting was adjourned at approximately 2:10pm without objection so ordered by the Chairman.



Austin L. Nibbs, CPA, CGMA

Administrator

Secretary, GERS Board of Trustees