

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

**St. Thomas
Thursday, August 24, 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: 6/22/23; Special: 7/6/23; Special: 8/7/23)
- VI. Communications and Correspondences
- VII. Chairperson's Report
- VIII. Administrator's Report
- IX. Committee Reports
- X. Treasurer's Report
- XI. Investment Officer's Report
- XII. REGULAR SESSION
 - A. New Business
 - (i). Consideration of Contract with IDEAS for Development of a Strategic and Infrastructure Plan for the Havensight Mall
 - (ii). Consideration of Bill No. 35-0048 sent for Review by Senator Alma Francis Heyliger
 - (iii). Resolution to resume in-person Board of Trustees' Meetings
- 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). Consideration of FY 2024 Budgets
- XIV. Privileges of the Floor
- XV. Adjournment

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

August 24, 2023

The Regular Meeting of the Board of Trustees for August 24, 2023, was called to order by 9:37a.m. The meeting was held via Zoom. Before proceeding to roll call, Administrator Dawson read into the record, notice of excused absence from ex-officio Cindy Richardson. At roll call, Trustees present were Bowry, Dorsey, Smith, and Callwood. Trustees not present were Liger, ex-officio Cindy Richardson, and Russell (excused). Quorum was established with 4 voting Trustees present.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Cathy Smith, General Counsel, Ishmael Meyers, Deputy General Counsel, Denise Jeremiah, Chief Financial Officer, Asiah Clendinen Gumbs, COO, Glenville Henderson, Investment Analysts, 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 Stenographer, Desiree Hill.

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

None

Secretary's Minutes (Regular: 6/22/2023)

A motion was made by Trustee Smith to accept the minutes of June 22, 2023, and seconded by Trustee Dorsey. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood) and 2 Absent (Liger and Russell)

Secretary's Minutes (Special Meeting: 7/06/2023)

A motion was made by Trustee Dorsey to accept the minutes of July 6, 2023, and seconded by Trustee Smith. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood) and 2 Absent (Liger and Russell)

Secretary's Minutes (Special Meeting: 8/7/2023)

Minutes will be presented at the next board meeting.

Communication and Correspondences

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Senator Alma Francis Heyliger of the 35th Legislature submitted correspondence regarding Bill 35-0048 for input of Annual Statements to active member by US mail or electronic means.

Chairman's Report

None

Administrator's Report

Meetings, Presentations, and Appearances

July 10	General Meeting with all staff - St. Thomas and St. Croix
July 11 thru July 12	One on One Meetings with Senior Staff
July 13	Meeting with Anthony Ottley – President and CEO, WICO General Meeting with all Havensight Mall staff Tour of Havensight Mall
July 14	Direct Reports Meeting
July 17	Meeting re. Havensight Mall / WICO Water Separation Project
July 18 thru July 21	Board Retreat – St. Croix, Carambola Hotel
July 25	Meeting to Discuss/Finalize FY 2024 Budget Proposals Direct Reports Meeting
July 26	Meeting with Non-Exempt Managers Meeting with Exempt Managers Meeting with Board Chair to discuss FY 24 Budget Proposals
July 27	Meeting with Havensight Mall Management to discuss tenant issues Meeting with principals of Haven Development Hotel Project
July 28	Meeting with VITECH
August 7	Special Meeting – GERS Board of Trustees
August 8	Direct Reports Meeting
August 10	Meeting to discuss ongoing legal case

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August 11	Meeting with UIW-SIU shop stewards
August 15	Meeting to discuss Duty-Connected death annuities Meet and Greet with all Havensight Mall tenants at "Pier 22"
August 17	Meeting re. VITECH Migration Contract VITECH v10 Migration Overview and Internal Formation Meeting Negotiation Team Meeting UIW-SIU Havensight Mall Warehouse Tenants Planning Meeting
August 18	Havensight Mall Oversight Committee Meeting

Questions from Board of Trustees

Administrator Dawson replied to Trustee Bowry that the space Division of VIPD will occupy was used by FirstBank before. VIPD Records and Firearms Division will be on the first floor and parking will be at the Emile Griffith parking lot.

Trustee Dorsey requested from the System to produce more tracking details for the Employee overpayments of contributions especially during software updates and requested a recommendation from the Administrator/CEO regarding bringing the refund of contributions numbers down. Administrator/CEO Dawson replied that the special vehicle and refund note has started to build confidence in the system for non-vested individuals from removing their contributions from the System.

Trustee Dorsey and Administrator Dawson commended the layout and upkeep of the St. Croix complex and Trustee Dorsey requested a TV in the breakroom. Trustee Dorsey requested to know if the site plan for the hotel is available to the public and Administrator/CEO Dawson replied that reasonable accommodations can be made for the public to view the site plan.

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

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Denise Jeremiah, CFO read the Treasurer's Report for the System and Havensight Mall for the month ending July 31, 2023, into the record.

Total Collections for July 31, 2023, is \$10.9M and FYTD is \$298M. Total Disbursements for July 31, 2023 is \$24M and FYTD is \$256M; Net Cash Deficit for July 31, 2023 is \$13M and a Net Cash Surplus of \$42M FYTD.

Havensight Mall.

Total Collections for July 31, 2023 was \$368K and FYTD \$4M; Total Disbursements for July 31, 2023 was \$359K and FYTD is \$4M and a Net Cash Surplus of \$8K for July and Net Cash Surplus of \$267K FYTD.

Administrator/CEO interjected that the System submitted its budget to the 35th Legislature Budget Appropriation and Finance Committee and ready to testify an Annual Overview on August 29th at 9:00 a.m.

Trustee Bowry made a recommendation to the Board of Trustees that testifiers, on behalf of the Board, to ask the Legislature for a special appropriation to cover delinquent employer contributions for Water and Power Authority (WAPA) and Roy L. Schneider Regional Medical Center. Board members had no objections to Trustee Bowry's recommendation.

A motion was made by Trustee Bowry and seconded by Trustee Dorsey that as part of the System's Annual Overview presentation to the 35th Legislature, to request for a special appropriation to cover payment of serious delinquent contributions primarily for Water and Power Authority (WAPA) and Roy L. Schneider Regional Medical Center and other government entities that may follow. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

Administrator/CEO Dawson informed the Board of Trustees that included in the presentation to the 35th Legislature, per directive at the Special Board Meeting on August 7th, requesting the 35th Legislature to consider funding the System's operating expenses of \$15M and the employer contributions increase from 23.5% to 26.5% by January 2025.

Administrator/CEO Dawson will be having future conversations with Director Nathan Simmonds regarding the excise tax cover-over.

A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept the

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Treasurer's Report for July 31, 2023. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

Investment Officer's Report

Mr. Glenville Henderson read the investment report for the month ending July 31, 2023, into the record.

The Investment Report for July 31, 2023, submitted to the board by Glenville Henderson, Investment Analyst shows:

- Market Value - \$454.7M
- Total Plan returned 2.2% for the month and up 11.4% FYTD (includes local investments and not Loans and St. Thomas and St. Croix facilities.
- Total Domestic Equity returned 3.6% for the month and up 19.1% FYTD
- Total International Equity returned 4.0% for the month
 - Develop Market Equity returned is 3.2%
 - Emerging Market Equity returned 6.0%

Total Domestic Fix Income Return 0.5%

- Investment Grade Bonds returned -0.1%
- TIPS returned 0.1%
- High Yield Bonds returned 1.4%
- No funds raised in the month of July 2023
- Total Fixed Income returned 0.5% for the month
- Total Alternatives returned 2.0% for the month

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

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New Business

- (i) Consideration of Contract with IDEAS for Development of a Strategic and Infrastructure Plan for the Havensight Mall

A motion was made by Trustee Dorsey and seconded by Trustee Smith to accept consideration of Contract with IDEAS for Development of a Strategic and Infrastructure Plan for the Havensight Mall for an amount of \$422,120. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

- (ii) Consideration of Bill No. 35-0048 sent for Review by Senator Alma Francis Heyliger

Administrator/CEO Dawson read into the record correspondence regarding Bill 35-0048 pertaining to Annual Statements sent to active members by US mail or electronic means.

Administrator/CEO Dawson reported that there is a cost associated with pulling staff out of other critical functions to fulfill the mailing of annual statements. A cost analysis will be provided later on this project. The approximate number of annual statements mailed was about nine thousand.

General Counsel Cathy Smith recommended to add additional language to Bill No. 35-0048 by including the word "benefits" because the annual statement does not provide what contributions are missing in the approximate benefits reflected in the annual statement active members will receive.

The Board is in support of the Bill and the amended changes which are (1) providing the System the option to send the Annual Statement to active members by US mail or electronic means and (2) adding the word "benefits".

- (iii) Resolution to resume in-person Board of Trustees' Meetings.

A motion was made by Trustee Smith and no Trustee seconded to resume in-person Board of Trustees' Meeting. Therefore, the motion died due to lack of a second motion.

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 2 Not Voting (Bowry and Dorsey), 2 Yes (Smith, and Callwood), and 2 Absent (Liger and Russell). Motion dies.

Chairman Callwood clarified that a motion for executive session was called due to personnel matters to consider and to include onto the 2024 budget and vote on it.

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A motion was made by Trustee Smith and seconded by Trustee Bowry to go into Executive Session. This portion of the meeting will be closed to the public for matters pertaining to trade secrets or financial or commercial information or personal or legal matters; or matters whose premature disclosure will frustrate the implementation of the proposed agency action. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

Executive Session

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

Regular Session.

The Chairman reported out of Executive Session that the Board discussed the final adjustments to the 2024 budget and included some personnel matters.

A motion was made by Trustee Smith and seconded by Trustee Dorsey to adopt the 2024 FY management proposed budget for the System. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

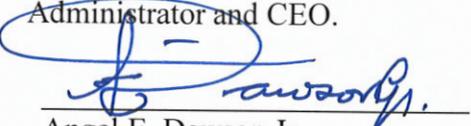
A motion was made by Trustee Smith and seconded by Trustee Bowry to adopt the 2024 FY management proposed budget for the Havensight Mall. The motion passed with 4 Yes (Bowry, Dorsey, Smith, and Callwood), and 2 Absent (Liger and Russell).

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

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

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

Administrator and CEO.



Angel E. Dawson Jr.

Administrator/CEO

Secretary, GERS Board of Trustees