

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

**St. Thomas/St. Croix
Thursday, January 23, 2025
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: 12/9/24)
- VI. Communications and Correspondences
- VII. Chairperson's Report
- VIII. Administrator's Report
- IX. Committee Reports
- X. Treasurer's Report
- XI. Investment Officer's Report
- XII. REGULAR SESSION
 - A. New Business
 - (i). 2025 Officer Election

XIII. EXECUTIVE SESSION

This portion of the meeting will be closed to the public for matters pertaining to trade secrets / or financial or commercial information/ or personal/ or legal matters; or matters whose premature disclosure will frustrate the implementation of the proposed agency action.

- A. New Business
 - (i). Medical Review Committee Recommendation
 - (ii). Medical Review Policy Proposed Update

- XIV. Privileges of the Floor
- XV. Adjournment

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

January 23, 2025

The Regular Meeting of the Board of Trustees was called to order at 9:38AM. At roll call, Trustees present were, Tahmin O. Clarke, Andre' T. Dorsey, Vincent G. Liger, Ronald Russell, Leona E. Smith, and Dwane Callwood. The meeting was held in person and via Zoom. Trustee not present during roll call was Ex-Officio Cindy L. Richardson (Excused). A quorum was established with 6 voting Trustees present.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Ishmael A. Meyers Jr., General Counsel, Michele Nico, Deputy Administrator, Glenville Henderson, Investment Analysts, Jahmed Mills, Director of Retail, Dining, and Entertainment/Property Manager – Havensight, Denise Jeremiah, Chief Financial Officer, Ms. Jerain Fleming, Executive Assistant to the Administrator, LeSean Moses, Computer and Benefits Systems Technician, IT, Nikia Coley, Administrative Assistant to the Board, Zaida M. Castro, Legal Secretary to the General Counsel

Also, present at the meeting were Pedro K. Williams, Board Counsel and Kelsha Williams from Law Offices of Williams and Williams.

Administrator Dawson read correspondence from Ex-Officio Cindy L. Richardson into the record, which explained her absence and outlined the division's recent rental payments. The rental expense report was already compiled when Division of Personnel's correspondence was received, therefore, the update will be reflected in the subsequent report.

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

Trustee Dorsey asked if VI Port Authority staff would be included in the retirement system due to the SkyCity partnership. Chairman Callwood clarified that GERS is not a party to VI Port Authority's partnership with SkyCity. Board Counsel Williams added that GERS would only engage if relevant issues arise within the System's jurisdiction.

Secretary's Minutes (Regular Meeting – 12/09/2024)

A motion was made by Trustee Smith to accept the minutes of December 9, 2024 and seconded by Trustee Clarke. The motion passed with Yes 6 (Clarke, Dorsey, Liger, Russell, Smith, and Callwood)

Communication and Correspondences

None

Chairman's Report

No Report.

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

January 23, 2025

Chairman Callwood, Trustees, and Administrator Dawson welcomed Trustee Tahmin O. Clarke to the Board of Trustees.

Administrator's Report

MEETINGS, PRESENTATIONS, AND APPEARANCES

December 9	Board of Trustees Meeting – St. Croix
December 9	Retiree Holiday Social – St. Croix
December 12	Retiree Holiday Social – St. Thomas
December 13	Staff Development and Annual Employee Recognition Event
December 14	Hosted Annual Governor's Children's Christmas Party at Havensight
December 16	Meeting with Sen. Dwayne DeGraff re: possible funding opportunity
December 17	Linea Solutions Contract Review
December 18	Design District Presentation on GERS Lobby and Atrium Redesign
December 18	Meeting with IDEAS re: Havensight Rebranding
December 23	Senior Staff Position Interview
December 24	Responded to Governor re: Bill No. 35-0428 (Response on pg. 9 and Bill attached)
December 27	Friday Night Havensight
December 30 – January 3	Annual Leave
January 7	Meeting with IDEAS re: Havensight
January 13	Attended 36th Legislature's Swearing-In Ceremony
January 15	Participated in meeting with Segal re: Census and Financial Data
January 16	Participated in Mediation re: former Havensight Tenant

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

January 23, 2025

Member Services

Retirement Applications - as of January 15, 2025

	<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>2025</u>	<u>Total</u>
STX	147	111	118	177	143	114	165	142	135	146		
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>159</u>	<u>161</u>	11	
Total	294	275	245	401	315	240	343	326	294	307	15	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>343</u>	<u>324</u>	<u>284</u>	<u>176</u>	0	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>10</u>	<u>131</u>		<u>159</u>
% Completed	99%	100%	100%	100%	100%	100%	100%	99%	97%	57%	<u>15</u> 0%	

Contributions Processing-Refunds and Death Benefits

October 1, 2024 – September 30, 2025

Refunds

	<u>No. of Cases Completed</u>	<u>Total Amount</u>	<u># Cases Pending</u>
Regular	33	\$667,494.34	57
Erroneous	0	0	9
Employer Share	1	431.66	0
Overpayment	14	24,236.17	16
Total	48	\$692,162.17	82

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
MINUTES BOARD OF TRUSTEES REGULAR MEETING
January 23, 2025**

Accounting Department

Annuity Payments

No. of retirees as of January 15, 2025, payroll: **8776**

Cumulative dollar paid out from October 1, 2024 – January 15, 2025

700	Pensioners	\$0.00	
702	Service Retirement Annuities	77,182,573.83	
703	Survivors' Annuities	507,778.08	
704	Duty-Connected Death Annuities	747.67	
705	Duty-Connected Disability Annuities	921,307.73	
706	Non-Duty Disability Annuities	468,939.78	
	Totals		79,081,347.09

Number of retirees added to payroll from October 1, 2024 – January 15, 2025: **94**

Number of retirees added to the payroll for January 15, 2025, pay date: **6**

Number of retirees expected to be placed on payroll for January 31, 2025, pay date: **5**

Number of retirees deleted from payroll from October 1, 2024, through January 15, 2025: **88**

Note: As of 01/15/2025 payroll, the Gross Retiree Payroll has arrived at **\$ 11,317,366.76**

Disbursement by Location as of 01/15/2025

Location	Total Count	Total Checks	Total ACH
Puerto Rico & Other islands	67	8	59
United States	1687	34	1653
International	6	2	4
	1760	44	1716
St. Thomas	4105	73	4032
St. Croix	3505	61	3444
St. John	229	5	224
	7839	139	7700
Total disb.	9599	183	9416

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

January 23, 2025

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM LOAN PORTFOLIO

UNITS

PERSONAL LOANS			
December 31, 2024			
	Total	STT/STJ	STX
Active Personal Loans	2131	1058	1073
Retiree Personal Loans	181	101	80
Auto Personal Loans	1	0	1
Total Active Loans	2313	1159	1154
MORTGAGES			
Construction/Home Improvement	20	12	8
Land	21	18	3
Purchase/Refinance	26	19	7
Totals	67	49	18
TOTAL LOANS & MORTGAGES	2,380	1,208	1,172

TOTAL OUTSTANDING

	Total	STT/STJ	STX
<u>December 2024</u>			
Active PL -	\$18,471,334.20	\$9,207,469.06	\$9,263,865.14
Retiree PL -	592,198.35	320,176.96	272,021.39
Purchase/Refi -	1,147,267.56	820,571.93	326,695.63
Construction -	1,679,439.43	1,032,360.99	647,078.44
Land Loans -	318,042.35	301,971.26	16,071.09
Auto PL -	7,727.74	0.00	7,727.74
GRAND TOTAL	\$22,216,009.63	\$11,682,550.20	\$10,533,459.43

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

January 23, 2025

Operations

St. Croix Office Complex

BUILDING:

- No Major Issues

St. Thomas Office Complex

BUILDING:

- Flat Roof Renovations are 100% complete. We are awaiting warranty inspection.

Havensight Mall

Hotel Development

- The hotel project is 76% completed. Guestroom windows and roof work are nearing completion. The goal is to have a major push toward interior finish work and completion by May 2025.

GENERATORS

The following activities have been 100% completed.

1. The Medium Voltage connections from the transformer to the switchgear.
2. The battery chargers installed.
3. The Low Voltage connections from generator to transformer.
4. Exhaust system installed (interior).
5. Coolant.
6. Purchased new protection Relay.

Next Steps

- PR Caterpillar Dealer to commission the unit for a startup. Week of January 27th
- The exhaust muffler for the roof is waiting on the crane.
- All electrical wiring to be done week of January 20, 2025
- Fuel lines will be installed on January 17, 2025
- **EE from PR will** connect the CAT controller to the start signal and to the switchgear controller. (This is so the unit will run in "auto"). Install the replacement protection relay. Service the Automatic transfer switch and the switchgear.

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

January 23, 2025

Rental Collection

Office Buildings Rental and Electricity Collections – Exhibit A (below)

	<u>December 2024</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$188,350.92	\$267,824.64	\$0
Electric	\$138,695.40	\$170,861.53	\$17,773.87
Total	\$327,046.32	\$438,686.17	\$17,773.87

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

January 23, 2025

RENTAL – EXHIBIT A

	December 2024 Collection		Rental Year-To-Date Collection for FY 2025	Electrical Year-To-Date Collection for FY 2025	Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage
	Rental Collection/ Late Charge	Electrical Collection					
Department of Justice	\$ 111,189.00	\$ 95,354.37	\$ 111,189.00	\$ 111,014.37	\$ 222,203.37		
Division of Personnet	59,253.50	43,224.09	78,267.58	57,964.66	136,232.24		16,982.77
FirstBank	297.16	116.94	601.28	370.77	972.05	-	-
Ophthalmology Consultants, LLC	6,556.36		19,669.08		19,669.08	-	-
Plessen Eye, LLC_ADMIN	4,129.56		12,388.68		12,388.68	-	-
Plessen Eye, LLC_ADMIN STORAGE	597.40		1,792.20		1,792.20	-	-
Plessen Eye, LLC_ASC	4,524.21		13,572.63		13,572.63	-	-
Equus Workforce Solution	1,803.73		5,411.19	1,511.73	6,922.92	-	791.10
VI Casino			24,933.00		24,933.00	-	-
VI Police Department							
Total income Received	\$ 188,350.92	138,695.40	267,824.64	170,861.53	438,686.17	-	17,773.87

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

January 23, 2025

Questions for Administrator Dawson

Trustee Smith asked about a meeting with Senator Dwayne M. DeGraff on funding opportunities which Administrator Dawson is set to provide details during the Executive Session.

Trustee Dorsey inquired about conversations with Senator Milton E. Potter about projects for GERS' undeveloped properties, to which Mr. Dawson confirmed he had not yet reached out to Senator Potter but plans to do so.

Regarding Bill No. 35-0428, Dorsey suggested GERS have more time to respond to bills impacting GERS operations. Administrator Dawson clarified that the 10-day timeline is set by the Organic Act, which assigns legislative action to the Governor of the Virgin Islands. Administrator Dawson added that his team soon would meet with Legislative representatives to discuss matters affecting GERS.

Trustee Dorsey also requested information on the Virgin Islands Police Department Firearms Unit rental lease, and Mr. Dawson stated that the lease is active, with payments current through February 2025.

Committee Reports.

- (a) Investment Committee – Chairman Callwood – No Report
- (b) Development Committee – Trustee Leona E. Smith – No Report
- (c) Budget/Audit Committee Report – Chairman Callwood – No Report
- (d) Policy Committee Report- TBA – No Report

Trustee Dorsey asked for an update of the Development Committee activities. Administrator Dawson replied that at present staff are working with consultants about the properties and will be reporting recommendations to Trustee Smith, Chair of the Development Committee, and other committee members for consideration to present to the Board.

Treasurer's Report

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

Total Collections for December 31, 2024 are \$10M and FYTD is \$136M. Total Disbursements for December 31, 2024 are \$26M and FYTD is \$80M; Net Cash deficit for the month of December is \$16M. FYTD Net Cash Surplus of \$57M.

Havensight Mall.

Total Collections for December 31, 2024 are \$478K and FYTD \$1M; Total Disbursements are \$356K and FYTD is \$1M. Net Cash surplus of \$122K for the month of December and Net Cash Surplus of \$326K FYTD.

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

January 23, 2025

A motion was made by Trustee Dorsey and seconded by Trustee Smith to accept the Treasurer's Report for December 31, 2024. The motion passed with 6 Yes (Clarke, Dorsey, Liger, Russell, Smith, and Callwood)

Investment Officer's Report

Mr. Glenville Henderson read into the record the investment report for December 31, 2024.

No funds raised for the month ending December 31, 2024.

Total Plan returned -1.7% for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities).

Total Domestic Equity returned -3.1% for the month.

Total International Equity returned -1.8% for the month

- Develop Market Equity returned is -2.3%
- Emerging Market Equity returned -0.2%
- Total Domestic Fix Income Return -1.3%
- Investment Grade Bonds returned -1.7%
- TIPS returned -1.7%
- High Yield Bonds returned -0.4%
- Cash Returned 0.4%

Total Alternatives returned 0.0% for the month

Trustee Clarke inquired about repositioning funds in the Systems portfolio considering the current political climate. Trustee Clarke was informed that there was a reallocation of investments as recommended by the Investment Committee and subsequently approved by the Board of Trustees. Trustee Clarke was informed that the Board authorized Maketa to reallocate 10% from US Equity, reducing it to 35% of the portfolio and moving it into Investment Bonds, as well as adjusting the International Development Market by splitting the Russell 3000 into a Russell 1000 Index and a Russell 2000 index.

Trustee Russell suggested that the board travel to Washington, D.C. and meet with Delegate Stacey Plaskett and representatives from President Trump's administration to advocate for the rum cover over. However, Chairman Callwood opposed this travel. Instead, Trustee Clarke recommended approaching Delegate Plaskett as an intermediary to facilitate discussions with the appropriate parties.

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

January 23, 2025

Administrator Dawson added that Delegate Plaskett has consistently advocated for the Virgin Islands' benefits from the rum cover-over funds in various forums, with the Governor's office acting as the primary lobbyist. Additionally, the System has been engaged with the Government Accountability Office (GAO) and the Congressional Budget Office regarding funding matters impacting to the system.

A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept the Investment Officer's Report for December 31, 2024. The motion passed with 6 Yes (Clarke, Dorsey, Liger, Russell, Smith, Callwood).

Regular Session

A. New Business

(i). 2025 Officer Election

Administrator Dawson initiated the process for the Chair and Vice Chair of the Board of Trustees, one position at a time. Trustee Russell suggested alternating the Chair position between the St. Thomas/St. John district and the St. Croix district for equitable representation and raised concerns about the current structure's effectiveness. Conversely, some Trustees emphasized the democratic nature of the nomination process, where each Trustee can nominate their preferred candidate. To clarify, Trustee Smith inquired about term limits for both positions. Board Counsel Williams replied that the Board Bylaws do not set term limits for the Chair or Vice-Chair position. Officers are elected bi-annually, serving two-year terms and selections are made by majority vote.

Nominations for Chairperson

Trustee Smith nominated Trustee Callwood for the position of Chairman, and Trustee Callwood accepted the nomination. Trustee Russell nominated himself, which he also accepted. Trustee Dorsey nominated Trustee Smith for Chair, but Trustee Smith declined the nomination.

Following a majority vote, Trustee Callwood received four votes and was elected as Chairman of the Board, while Trustee Russell received two votes. The voting was conducted by secret ballot via electronic means, and the results will be kept on record.

Nominations for Vice Chair

Trustee Liger nominated Trustee Smith for the position of Vice-Chair, and Trustee Callwood seconded the nomination. Trustee Smith accepted the nomination.

Trustee Dorsey then nominated Trustee Liger as Vice-Chair, but Trustee Liger declined. Following that, Trustee Russell nominated Trustee Dorsey for the position, and Trustee Dorsey accepted this nomination.

The voting for Vice-Chair was also conducted by secret ballot via electronic means, and the results will be kept on record.

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

January 23, 2025

Based on the majority vote, Trustee Smith was elected as Vice-Chair, receiving three votes, while Trustee Dorsey received two votes and there was one abstention.

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 motion was made by Trustee Clarke and seconded by Trustee Smith to enter Executive Session. The motion passed with 6 Yes (Clarke, Dorsey, Liger, Russell, Smith, and Callwood)

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

Regular Session

The chairman reported out of Executive Session that the Board discussed streamlining of the disability annuity application process as well as a recommendation from the Medical Review Committee Recommendation

Privileges on the Floor

None

Adjournment

A motion was made by Trustee Dorsey and seconded by Trustee Clarke to adjourn. The motion passed with 5 Yes (Clarke, Dorsey, Liger, Russell, and Callwood) and 1 absent (Smith).

The meeting ended at 12:48 P.M.

The minutes were transcribed from the zoom recording by Zaida Castro, Legal Secretary to the General Counsel and reviewed and edit by Chairman Dwane Callwood, Angel E. Dawson Jr., Administrator and CEO, and Ishmael Meyers, General Counsel.



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