

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

**St. Thomas/St. Croix via Zoom  
Thursday, June 22, 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: 4/20/23; Regular: 5/18/23)
- 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). Discussion on Bill No. 35-004

**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). Administrator Search
- XIV. Privileges of the Floor
- XV. Adjournment

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

**June 22, 2023**

The Regular Meeting of the Board of Trustees for June 22, 2023, was called to order at 9:43 a.m. The meeting was held via the Zoom. At roll call, Trustees present were Dorsey, Liger, ex-officio Cindy Richardson, Russell, Smith, and Callwood. Trustee Bowry was excused. A quorum was established with more than 4 voting members present.

Staff in attendance: Austin Nibbs, Administrator, Cathy Smith, General Counsel, Ishmael Meyers, Deputy General Counsel, Denise Jeremiah, Chief Financial Officer, Asiah Clendinen Gumbs, COO, Shoran D. C. Sasso, Director for Member Services, Michelle Nico, Office Operations Coordinator, Ucilla Austrie, Accounting Coordinator, Sakeeda Figueroa, Communication and Member Education Specialists, LeSean Moses, IT, Zaida Castro, Executive Assistant to the Administrator, Nikia Coley, Administrative Assistant to the Board.

Other staff in attendance were Jasmin Greaux, Chief Compliance and Control, Roy Moorehead, Chief Security Officer - Havensight Mall.

Also, present in the meeting were Pedro K. Williams, Board Counsel, Kelsha Williams (Associate – Williams and Williams), and Stenographer, Desiree Hill, Shawn Bowen, Senior Vice President and Consultant-Meketa and Leandro Festino, Managing Principal and Consultant Meketa, and Colette Monroe Government House Liaison

Press in attendance: Don Buchanan – V.I. Source.

## **Comments and Suggestions from Retirees**

Ms. Moorehead is requesting the System to consider receiving credit cards as payment for service fees and asked for a follow-up to the selection of the New Administrator. Chairman Callwood responded that he would provide an update of the Administrator nominee later.

## **Comments and Suggestions from Active Members**

None.

## **Secretary's Minutes (Regular: 4/20/2023)**

*A motion was made by Trustee Smith and seconded by Trustee Liger to accept the minutes of April 20, 2023. The motion passed with 4 Yes (Dorsey, Liger, Smith, and Callwood) and 2 Absent (Bowry and Russell).*

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

June 22, 2023

## Secretary's Minutes (Regular: 5/18/2023)

*A motion was made by Trustee Smith and seconded by Trustee Liger to accept the minutes of May 18, 2023. The motion passed with 4 Yes (Dorsey, Liger, Smith, and Callwood) and 2 Absent (Bowry, Russell).*

## Communication and Correspondences

Chairperson of the Committee of Budget, Appropriations and Finance, Senator Donna Frett Gregory sent notice dated May 15, 2023, of the budget hearing scheduled for August 2, 2023, at 9:00 a.m. at Earle B. Ottley Legislative Hall.

## Chairman's Report

Chairman Callwood attended the National Conference of Public Employees Retirement System on May 20<sup>th</sup> – May 24<sup>th</sup>.

## Administrator's Report

### Meetings, Presentations, and Appearances

May 22<sup>nd</sup> – 24<sup>th</sup> Attended the National Conference on Public Employee Retirement Systems) NCPERS 2023 Conference.

26<sup>th</sup> Attended the Special Joint Div/Activity Centers meeting.

30<sup>th</sup> Attended meeting with the Executive Director of VIHA (Robert Graham) to discuss housing opportunities in the V.I. (A Development Committee Initiative).

31<sup>st</sup> Attended meeting with Jackson Development (Clifford Graham) to discuss housing opportunities in the V.I. (A Development Committee Initiative).

June 5<sup>th</sup> Attended the Development Committee meeting.

13<sup>th</sup> Meeting with staff re: JFLH issues.

Meeting with Actuary and Investment Advisory re: preliminary discussion for board retreat presentation on effects of the restart of the loan program on cash flows.

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

**June 22, 2023**

16<sup>th</sup> Attended the Havensight Mall Oversight Committee monthly meeting.

## Member Services

### Retirement Applications - as of June 15, 2023

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
STX	147	111	118	177	143	114	164	141	66	2	
STT	<u>147</u>	<u>164</u>	<u>127</u>	<u>224</u>	<u>172</u>	<u>126</u>	<u>179</u>	<u>186</u>	<u>49</u>	0	
Total	294	275	245	401	315	240	343	327	115	2	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>239</u>	<u>340</u>	<u>296</u>	<u>11</u>	0	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>31</u>	<u>104</u>	<u>2</u>	<u>142*</u>
% Completed	99%	100%	100%	100%	100%	99%	99%	91%	10%	0%	

*There are 142 retirement applications remaining to be process as of June 15, 2023. Of the 142 applications remaining, 104 (73%) are for 2023.*

## Compliance and Control - Contribution Processing October 1, 2022 – May 31, 2023

### Refunds

	No. Cases <u>Completed</u>	Total <u>Amount</u>	No. of Cases <u>Pending</u>
<b>Regular (Non-Vested)</b>	325	<b>\$5,859,849.33</b>	47
Erroneous	16	7,586.83	3
Employer Share	4	25,565.06	3
Overpayment	<u>303</u>	<u>718,903.61</u>	<u>1</u>
Total	<u>648</u>	<u>\$6,611,904.83</u>	<u>54</u>

### Death Benefits

<u>Types</u>	No. Completed <u>10/1/22-05/31/2023</u>	Amount <u>10/1/22-05/31/2023</u>	No. of Cases <u>Pending</u>
Active	20	\$ 876,187.33	40
Retired	<u>7</u>	<u>400,776.12</u>	<u>6</u>
Total	<u>27</u>	<u>\$ 1,276,963.45</u>	<u>46</u>

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

**June 22, 2023**

**Accounting Department**

**Annuity Payments**

No. of retirees as of June 15, 2023, payroll: **8,792**

**Cumulative dollar paid out from October 1, 2022 – June 15, 2023**

702	Service Retirement Annuities	\$183,156,088.74	
703	Survivors' Annuities	1,233,723.98	
704	Duty-Connected Death Annuities	1,815.77	
705	Duty-Connected Disability Annuities	2,197,971.54	
706	Non-Duty Disability Annuities	1,085,887.04	
	Totals		\$187,675,487.07

Number of retirees added to the payroll from October 1, 2022 – June 15, 2023. **275**

Number of retirees added to the payroll for the June 15, 2023, pay date. **8**

Number of retirees expected to be placed on payroll for June 30, 2023, pay date: **17**.

Number of retirees (deceased) deleted from the payroll from October 1, 2022, through June 15, 2023: **216**

Note: The Gross Retiree Payroll for the 6/15/23 payroll was \$ **11,144,864.58**

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

**June 22, 2023**

**PERSONAL LOANS**

DATE

**LOAN PORTFOLIO FOR THE MONTH ENDING MAY  
2023**

	5/31/2023	STT/STJ	STX
Active Personal Loans	383	230	153
Retiree Personal Loans	427	239	188
	<b>810</b>	<b>469</b>	<b>341</b>

**MORTGAGES**

Construction/Home Improvement	18	10	8
Land	16	14	2
Purchase/Refinance	22	17	5
Totals	<b>56</b>	<b>41</b>	<b>15</b>

<b>TOTAL LOANS &amp; MORTGAGES</b>	<b>866</b>	<b>510</b>	<b>356</b>
------------------------------------	------------	------------	------------

**TOTAL OUTSTANDING**

<u>May 2023</u>	Total	STT/STJ	STX
Active PL -	\$ 3,024,476.65	\$ 1,888,155.31	\$ 1,136,321.34
Retiree PL -	3,238,030.38	1,802,887.74	1,435,142.64
Purchase/Refi -	1,192,428.28	928,411.54	264,016.74
Construction -	1,830,115.69	1,113,381.40	716,734.29
Land Loans -	306,052.45	272,372.54	33,679.91
<b>GRAND TOTAL</b>	<b>\$ 9,591,103.45</b>	<b>\$ 6,005,208.53</b>	<b>\$ 3,585,894.92</b>

*As of May 31, 2023, there were 866 loans in the loan portfolio, of which 810 are personal loans. The balance in the portfolio is \$9.6M, of which \$6.3M is personal loans.*

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

**June 22, 2023**

**Outstanding Employer Contributions**

**Water & Power Authority**

The Water & Power Authority's (WAPA) payment of contributions remains in noncompliance with the V.I.C. and the V3 business rules. WAPA has not paid its employer contributions since June 24, 2021. They are paying the employee contribution deductions and loan deductions which have been submitted through June 8, 2023. As of June 5, 2023, WAPA has outstanding employer contributions of \$12.2M which include interest and penalties.

**Schneider Regional Medical Center**

Schneider Regional Medical Center (SRMC) remains in noncompliance with the V.I.C. and the V3 business rules.

As of June 5, 2023, SRMC has an outstanding balance which includes employer and employee contributions, other deductions, and interest and penalties in the amount of \$1.9M.

**Number of Active Employees - May  
2023 (Based on Contributions  
Received)\***

<b>Agency</b>	<b>Count</b>
<b>DOF</b>	<b>6,364</b>
EEMC	1
EDA	35
FHC	14
GERS	101
HFA	117
IP	3
<b>JFLHMC</b>	<b>448</b>
LOTTERY	41
<b>VIPA</b>	<b>329</b>
PFA	35
<b>RLSH</b>	<b>544</b>
UVI – M	18
UVI BW	106
VIWMA	154
VIHA	186
<b>VIWAPA</b>	<b>510</b>
<b>TOTALS*Fluctuates</b>	<b>9,006 *</b>

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

June 22, 2023

## Annual Benefit Statements

A total of 9,845 annual benefit statements were mailed to Tier I and Tier II members (Active, Inactive, and Return to Work).

The sorting, stuffing, and mailing out processes were completed using 2 hours of daily overtime using a total staff of 16 from both districts. The project spanned approximately four weeks. Six (6) percent (590) of the statements were returned due to incorrect addresses. We are accumulating the costs of the entire project.

Management recommends an amendment to the V.I.C. which mandates that the statements must be mailed annually. We are in the 21st century and 95% or more of our members are computer literate and have access to a computer or a smartphone. The statements are available electronically to our members through Member Self Service (MSS) via the Website.

## Office Buildings Rental and Electricity Collections – Exhibit A

	<u>May 2023</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$24,619.04	\$568,362.47	\$93,425.10
Electric	<u>99.03</u>	<u>332,905.54</u>	<u>50,240.70</u>
Total	<u>\$24,718.07</u>	<u>\$901,268.01</u>	<u>\$143,665.80</u>

## Questions from Board of Trustees

As we know, the rentals from the V.I. government agencies go through a process with OMB and property and procurement. This process is a slow and cumbersome process. The arrearages shown above and in Exhibit A are for the months of April and May (rents and electrical ). We are surprised with the private tenants arrearages because usually these tenants are current with their rents. Operations is following up with these tenants.

Trustee Dorsey asked to be recognized and stated to the Chairman that he had sent the Chairman a document. Administrator Nibbs stated that he had not received a copy of the document. The Chairman responded that he did not have a chance to read the document.

## Committee Reports.

- (a) Investment Committee – Chairman Callwood – No Report
- (b) Development Committee – Trustee Russell – No Report

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

June 22, 2023

- (c) Budget/Audit Committee Report – Chairman Callwood – No Report
- (d) Policy Committee Report – No Report

## **Treasurer's Report**

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

Total Collections for May 31, 2023, is \$15.9M and FYTD is \$268.8M. Total Disbursements for May 31, 2023, is \$24.3M and FYTD is \$204.8M; Net Cash Deficit for May 31, 2023, is \$8.8M and a Net Cash Surplus of \$63.9M FYTD.

- In the month of May 2023 collection is 65% (\$15,9M) of what was needed for disbursement of \$24.8M.
- FYTD administrative expenses were 57% (\$8.9M) of budget (\$15.6M).
- FYTD withdrawal from the portfolio at May 2023 was \$90M.

## Havensight Mall

Total Collections for May 31, 2023, was \$479K and FYTD \$3.6M; Total Disbursements for May 31, 2023, was \$278.9K and FYTD is \$3.4M and a Net Cash Surplus of \$200.2K and Net Cash Surplus of \$203.2K FYTD.

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

## **Investment Officer's Report**

Shawn Bowen from Meketa presented the performance report as of May 31, 2023, in Glenville Henderson's absence. In summary for the month of May, the investment portfolio was \$387M, while \$19M was withdrawn from the portfolio in May. As far as performance, US Equities were 40 bases points for the month of May. The System portfolio was down about 0.8% for the month of May but increased in June by 3.2%. The major takeaway was the portfolio return FYTD was 7.2%. Meketa does not account for local alternative investments.

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

- Market Value - \$471.8M (excludes loan portfolio and office complexes)
- Total Plan returned 0.6% for the month and 6.0% FYTD
- Total Domestic Equity returned 1.1% for the month and is in line with its benchmark

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

June 22, 2023

- Total International Equity returned 1.8% for the month and outperformed its benchmark by 0.1%
- No funds raised in the month of April 2023
- Total Fixed Income returned 0.5% for the month and underperformed its benchmark by 0.1%
- Total Alternatives returned -1.7%

## Regular Session

### A. New Business

#### i. Discussion on Bill No. 35-004

Senator Carla Joseph sent a request to the GERS to review and comment on Bill 35-004. The bill attempts to allow retirees who are receiving an annuity from GERS and subsequently employed by UVI, if the retiree enrolls in a different plan. The System recommended amending the language because the bill conflicts with 3 V.I.C. section 706 ( c ) and Chapter 28A, section 755 ( c ) and (d). The amended language was submitted to Senator Joseph by June 23<sup>rd</sup> to read:

“Notwithstanding subsection (c) and (d), a retiree who re-enters the service of the government to be employed by the University of the Virgin Islands, may continue to receive an annuity while in receipt of a salary from the University of the Virgin Islands, if the retiree is enrolled in an alternative retirement system.”

In regard to the Teacher's Insurance Annuity, the System was unable to perform a Cost Analysis to determine the impact the bill will have on GERS due to the uncertainty of the quantity of UVI employees that would qualify to meet Bill 35-0004 requirements. UVI will have to submit the number of candidates for GERS to perform a cost analysis.

*A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept to amend the language for Bill No 35-0004 to read “Notwithstanding subsection (c) and (d), a retiree who re-enters the service of the government to be employed by the University of the Virgin Islands, may continue to receive an annuity while in receipt of a salary from the University of the Virgin Islands, if the retiree is enrolled in an alternative retirement system. The motion passed with 3 Yes (Liger, Smith, and Callwood), 1 No (Dorsey) and 2 Absent (Bowry and Russell).*

*A motion was made by Trustee Smith and seconded by Trustee Liger 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*

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

**June 22, 2023**

*motion passed with 4 Yes (Dorsey, Liger, Smith, and Callwood), and 2 Absent (Bowry and Russell).*

**Executive Session**

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

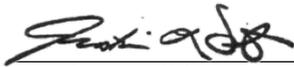
**Regular Session**

The Chairman reported out of Executive Session that the Board received updates of pending legal matters and discussed the Administrator search and the announcement of the Administrator Nominee.

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

The meeting ended at approximately 11:59A.M.

The minutes for the Regular Session were transcribed from the zoom recording by Zaida Castro, Executive Assistant to the Administrator and reviewed and edited by the Secretary of the Board.



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

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

**June 22, 2023**

**EXHIBIT A**

	May 2023 Collection								
	Rental Collection	Electrical Collection	Rental Year-To-Date Collection for FY 2023	Electrical Year-To-Date Collection for FY 2023	Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage	Notes	
Department of Justice	\$ -	\$ -	\$ 296,505.00	\$ 226,689.55	\$ 523,194.55	\$ 37,063.00	\$ 25,470.33	May Rent/Electrical	
Division of Personnel	-	-	92,326.08	96,945.19	189,271.27	26,378.88	24,154.82	April & May Rent	April & May Electrical
FirstBank	290.20	99.03	2,321.60	859.12	3,180.72	-	-		
Ophthalmology Consultants, LLC	6,365.40	-	50,923.20		50,923.20	-	-		
Plessen Eye, LLC_ADMIN	8,018.56	-	28,064.96	-	28,064.96	4,009.28	-	May Rent	
Plessen Eye, LLC_ADMIN STORAGE	1,160.00	-	4,060.00	-	4,060.00	580.00	-	May Rent	
Plessen Eye, LLC_ASC	8,784.88	-	39,531.96	-	39,531.96	4,392.44	-	May Rent	
Arbor E & T, LLC (Equus)	-	-	12,626.67	2,718.84	15,345.51	-	615.55		May Electrical
VI Housing Finance Authority	-	-		5,692.84	5,692.84	-	-		
VI Casino	-		42,003.00	-	42,003.00	21,001.50	-	March, April & May Rent	
<b>Total income Received</b>	<b>\$ 24,619.04</b>	<b>99.03</b>	<b>568,362.47</b>	<b>332,905.54</b>	<b>901,268.01</b>	<b>93,425.10</b>	<b>50,240.70</b>		

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

**July 6, 2023**

A Special Meeting of the Board of Trustees was held on July 6, 2023 via Zoom. At roll call, Trustees present were Trustees Bowry, Dorsey, Russell, Smith, and Callwood. Trustee not present during the roll call was Liger. A quorum was established with 5 trustees present.

Staff in attendance: Austin Nibbs, Administrator, Ishmael Meyers, Deputy General Counsel, Denise Jeremiah, Chief Financial Officer, and Nikia Coley, Assistant to the Board of Trustees.

Also, present in the meeting were Pedro K. Williams, Board Counsel.

The Chairman asked for a motion to go into Executive Session.

A motion was made by Trustee Bowry and seconded by Trustee Smith to go into Executive Session to discuss matters pertaining to trade secrets/or financial or commercial information/or personal/or legal matters whose premature disclosure will frustrate the implementation of the proposed agency action. The motion passed 4 Yes (Bowry, Dorsey, Smith, and Callwood), 1 Not Voting (Dorsey), and 1 Absent (Liger).

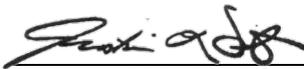
**Executive Session.**

A motion was made by Trustee Smith and seconded by Trustee Dorsey to come out of Executive Session. The motion passed 5 Yes (Bowry, Dorsey, Russell, Smith, and Callwood) and 1 Absent (Liger).

**Regular Session**

Chairman Callwood reported out of executive session that the board met in Executive Session to adopt two resolutions to facilitate the onboarding of the new administrator Angel Dawson.

A motion was made by Trustee Dorsey and seconded by Trustee Bowry to adjourn the meeting. The motion passed 5 Yes (Bowry, Dorsey, Russell, Smith, and Callwood) and 1 Absent (Liger).



---

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