

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

**St. Thomas/St. Croix
Tuesday, March 19, 2024**

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: 2/22/24)
- VI. Communications and Correspondences
- VII. Chairperson's Report
- VIII. Administrator's Report
- IX. Committee Reports
- X. Treasurer's Report
- XI. Investment Officer's Report
- XIII. REGULAR SESSION
 - A. New Business
 - (i). Vehicle Purchase

XIV. 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 Recommendations
- XV. Privileges of the Floor
- XVI. Adjournment

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

March 19, 2024

The Regular Meeting of the Board of Trustees for March 19, 2024, was called to order by 9:38am. At Roll Call, Trustees present were Nellon Bowry, Andre Dorsey, Ronald Russell, Leona Smith, and Dwane Callwood, Sr. The meeting was held via the Zoom. Trustees not present during the roll call were Vincent Liger and Ex-Officio Member Cindy Richardson. A quorum was established with 5 voting Trustees present. Trustee Liger joined the meeting after roll call.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Ishmael Meyers Jr, Acting General Counsel, Asiah Clendinen Gumbs, COO, Ms. Shoran D. C. Sasso, Chief Benefits Officer, Glenville Henderson, Investment Analysts, LeSean Moses, IT, Zaida Castro, Executive Assistant to the Administrator, Nikia Coley, Administrative Assistant to the Board.

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

Comments and Suggestions from Retirees

Trustee Russell commented on his perspective on the GERS Bylaws, as a retiree. He suggested that the legislation governing the composition of the Board be revised so that board membership terms are limited, and no board member serves for a lifetime. Trustee Russell further recommended a better structure that would promote inclusion in decision-making processes by the Trustees. Finally, he pointed out instances where Trustees are not involved in significant decisions that may impact the Board's structure.

Comments and Suggestions from Active Members

None

Trustee Dorsey requested that the agenda of the Board of Trustees Regular Meeting be re-ordered to hold an executive session first, followed by voting topics of the regular meeting.

A motion was made by Trustee Dorsey and seconded by Trustee Russell for the agenda of the Board of Trustees Regular Meeting to be re-ordered to hold Executive Session first, followed by voting topics of the regular meeting. The motion passed with 5 Yes (Bowry, Dorsey, Russell, Smith, and Callwood) and 1 Absent (Liger).

A motion was made by Trustee Smith and seconded by Trustee Russell 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 5 Yes (Bowry, Dorsey, Russell, Smith, and Callwood), and 1 Absent (Liger)

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

March 19, 2024

Executive Session

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

Regular Session

The Chairman reported out of Executive Session that the Board reviewed Medical Committee recommendations.

Chairman's Report

None

Regular Session

A. New Business

1. Vehicle Purchase – Administrator Dawson is requesting approval from the Board to purchase a \$60,000 vehicle for the St. Thomas complex; an item that was not included in the budget. The New vehicle will replace four (4) vehicles to are no longer cost effective to maintain and have been experiencing mechanical problems. Two of the four vehicles to be replaced have already been sold by GERS.

A motion was made by Russell and seconded by Smith granting Administrator Dawson authorization of funds to purchase a vehicle for the St. Thomas Complex at a cost of \$60,000 with a 10% margin. The motion passed with 6 Yes. (Bowry, Dorsey, Liger, Russell, Smith, and Callwood)

Communication and Correspondences

None

Chairman's Report

On February 28th and 29th, the Chairman met with Senior Management staff as well as VITECH representatives to discuss migration and other matters. On March 5th, Chairman Callwood, Administrator Dawson, and Acting General Counsel Attorney Ishmael Meyers Jr. appeared before the Legislature's Committee of Budget and Appropriations and Finance to testify on Bill No. 35-0196 (GERS General Liability / Personal Loan Program).

Trustee Russell asked what's the progress on the migration. Administrator Dawson replied that the project is proceeding at a pace and migration assessment is being executed.

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

March 19, 2024

Administrator's Report

Meetings, Presentations, and Appearances

- | | |
|------------------|--|
| February 22 | Recorded segment of WTJX's "Comes with the Territory" with Lesley Comissiong, which aired on Sunday, February 25th |
| February 28 – 29 | Meetings with Vitech regarding V3 Migration and other matters |
| March 5 | Appeared at Legislative Committee on Budget, Appropriation and Finance to testify on Bill 35-0196 |
| March 6 | Attended Board of Trustees' Development Committee Meeting |
| March 7 | Participated in Havensight Project Review with IDEAS |
| March 8 | All-Staff Meeting |
| March 11 | Addressed GRUFF quarterly meeting and presented plaque to commemorate their organization's Tenth Anniversary |
| March 14 | Personal Loans Restart Planning Meeting
Vitech Update Meeting
Havensight Mall Update Meeting |
| March 19 | Guest appearance on WSTA's "Ideas and Issues" radio program |

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

March 19, 2024

Member Services

Retirement Applications - as of March 15, 2024

	<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	165	141	136	35	
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>148</u>	<u>22</u>	
Total	294	275	245	401	315	240	343	325	284	57	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>342</u>	<u>320</u>	<u>206</u>	<u>1</u>	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>5</u>	<u>78</u>	<u>56</u>	<u>141*</u>
% Completed	99%	100%	100%	100%	100%	100%	99%	98%	73%	2%	

**Contributions Processing-Refunds and Death Benefits
October 1, 2023 – February 29, 2024**

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. of Cases Pending</u>
Regular	164	\$3,219,470.61	40
Erroneous	3	1,621.77	8
Employer Share	0	0.00	3
Overpayment	<u>114</u>	<u>\$ 308,432.15</u>	<u>6</u>
Total	<u>281</u>	<u>\$3,529,524.53</u>	<u>57</u>

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/23-02/29/2024</u>	<u>Amount 10/1/23-02/29/2024</u>	<u>No. of Cases Pending</u>
Active	18	\$ 1,048,865.43	30
Retired	<u>4</u>	<u>138,927.61</u>	<u>4</u>
Total	<u>22</u>	<u>\$ 1,187,793.04</u>	<u>34</u>

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

March 19, 2024

Accounting Department

Annuity Payments

No. of retirees as of March 15, 2024, payroll: **8781**

Cumulative dollar paid out from October 1, 2023 – March 15, 2024

700	Pensioners	\$0.00	
702	Service Retirement Annuities	120,174,633.15	
703	Survivors' Annuities	759,247.41	
704	Duty-Connected Death Annuities	1,174.91	
705	Duty-Connected Disability Annuities	1,439,837.91	
706	Non-Duty Disability Annuities	718,397.98	
	Totals		123,093,291.36

Number of retirees added to payroll from October 1, 2023 – March 15, 2024. **155**

Number of retirees added to the payroll for the March 15, 2024, pay date. **20**

Number of retirees expected to be placed on payroll for March 28, 2024, pay date: **19**

Number of retirees deleted from payroll from October 1, 2023, through March 15, 2024: **134**

Note: As of 3/15/24 payroll, the Gross Retiree Payroll has arrived at **\$ 11,221,808.64**

Disbursement by Location as of 3/15/2024

Location	Total Count	Total Checks	Total ACH
Puerto Rico & Other islands	69	10	59
United States	1698	26	1672
International	6	3	3
	1773	39	1734
St. Thomas	4056	76	3980
St. Croix	3488	65	3423
St. John	226	5	221
	7770	146	7624
Total disb.	9543	185	9358

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

March 19, 2024

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LOAN PORTFOLIO**

UNITS

PERSONAL LOANS	DATE		
	2/29/2024	STT/STJ	STX
Active Personal Loans	306	180	126
Retiree Personal Loans	383	218	165
	689	398	291

MORTGAGES

Construction/Home Improvement	19	11	8
Land	23	20	3
Purchase/Refinance	28	20	8
Auto Loan	1	1	0
Totals	71	52	19

**TOTAL LOANS &
MORTGAGES**

760	450	310
------------	------------	------------

TOTAL OUTSTANDING

February 2024

	Total	STT/STJ	STX
Active PL -	\$ 1,967,480.65	\$ 1,221,422.88	\$ 746,057.77
Retiree PL -	1,810,829.35	1,014,378.09	796,451.26
Purchase/Refi -	1,205,781.18	876,541.64	329,239.54
Construction -	1,638,124.49	956,193.33	681,931.16
Land Loans -	355,575.16	339,532.08	16,043.08
Auto	7,727.74	\$7,727.74	-
GRAND TOTAL	\$ 6,985,518.57	\$ 4,415,795.76	\$ 2,569,722.81

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

March 19, 2024

Operations

St. Croix Office Complex

BUILDING:

No major issues other than ongoing maintenance.

St. Thomas Office Complex

BUILDING:

No major issues other than ongoing maintenance.

OTHER ONGOING PROJECTS

New GERS Main Generator

Build a foundation and extend the room. **(Work in progress 75% complete)**

Havensight Mall

Hotel Development

Currently working on the parking spaces/green space design (GERS HM will contract with an architect, civil engineer, and a landscape design company).

GENERATORS

Havensight Mall Strategic and Infrastructure Plan - RFP

Met with IDEAS to brainstorm names/design concepts to test in the market.

Havensight Mall Waterline Replacement and Rehabilitation – Engineering Design Services – RFQ

Update – The extension document has been approved by WAPA. The document will be updated for signatures with a new timeline. The company completed the underground GPR and Elipse will continue the waterline design.

Rental Collection

Office Buildings Rental and Electricity Collections – Exhibit A

	<u>FEBRUARY 2024</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$60,816.41	\$446,812.11	\$101,568.97
Electric	\$56,576.59	\$189,879.95	\$76,215.64
Total	\$117,393.00	\$636,692.06	\$177,784.61

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

March 19, 2024

LEASES

Casino Control Commission - The lease was signed by the VICCC and is awaiting final signature GERS Signatures.

Department of Justice – New Lease with new signatories was drafted for signatures.

Virgin Islands Police Department – Lease negotiated and being routed through the government approval process, currently with the Commissioner of Police.

Plessen Ophthalmology Building: As per the lease agreement, a replacement generator is being sourced for the building. Two quotes were received for the unit, excluding installation, and the range was \$48- \$65K.

Pending Contracts:

ARS Southern Flat Roof

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

March 19, 2024

	February 2024 Collection				Total Year-To-Date Revenue Collection	Rental Arrearage	Electrical Arrearage
	Rental Collection/Late Charge	Electrical Collection	Rental Year-To-Date Collection for FY 2024	Electrical Year-To-Date Collection for FY 2024			
Department of Justice	\$ 31,843.00	\$ 29,782.37	\$ 185,315.00	\$ 145,977.60	\$ 331,292.60	\$ 74,126.00	\$ 55,104.93
Division of Personnel	20,514.08	26,464.19	179,655.52	40,767.20	220,422.72	-	19,778.98
FirstBank	290.20	330.03	1,451.00	818.78	2,269.78	-	-
Ophthalmology Consultants, LLC	6,365.40		31,827.00		31,827.00	-	-
Plessen Eye, LLC_ADMIN	-	-	8,018.56		8,018.56	12,508.95	-
Plessen Eye, LLC_ADMIN STORAGE	-	-	1,740.00		1,740.00	1,229.60	-
Plessen Eye, LLC_ASC	-	-	8,784.88		8,784.88	13,704.42	-
Equus Workforce Solution	1,803.73		9,018.65	2,316.37	11,335.02	-	1,331.73
VI Casino	-	-	21,001.50		21,001.50	-	-
Total income Received	\$ 60,816.41	56,576.59	446,812.11	189,879.95	636,692.06	101,568.97	76,215.64

Questions from Trustees to Administrator Angel E. Dawson Jr.

Administrator Dawson requested the Chief Operating Officer, Clendinen Gumbs to share updates of arrearages for three Plessen Eye units. The COO replied that Plessen Eye Admin arrearage new total is \$8,339.00, their storage unit arrearage is \$636.00 and Plessen Eye ASC arrearage total is now \$9,136.00.

Trustee Dorsey asked about special rental payment arrangements for Public Safety lease. Acting General Counsel Meyers Jr. confirmed that the lease had no such provisions. A fund for governmental tenants was only discussed in previous board meetings. Administrator Dawson clarified that any agreement for rental payments would have to be established with the government agency. COO Clendinen Gumbs reminded the Trustees that the Department of Property and Procurement now requires purchase orders to secure rental payment funds before signing any new lease. Despite cash flow issues, the government will continue to pay as funds become available due to a purchase order.

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

March 19, 2024

Committee Reports

- (a) Investment Committee – Chairman Callwood – No Report.
- (b) Development Committee – Trustee Russell – During the March 6th Development Committee meeting, Trustee Russell reported that Senator Gittens was unable to attend and is awaiting a response for his availability. Mr. Biggs may present it at a future meeting. The travel policy was discussed for possible changes. Trustee Russell suggested visiting retirement communities in the US for project ideas in the Virgin Islands.
- (c) Budget/Audit Committee Report – Chairman Callwood – No Report
- (d) Policy Committee Report – No Report

Trustee Russell asked if there was an attempt to get \$15M administrative reimbursement cost or any other finances from the Legislature for the limited Loan Program. Chairman Callwood replied “No”. Trustee Russell recommended bringing this matter to the Legislature's attention since the program may require financial assistance.

Treasurer's Report

Administrator Dawson read the Treasurer's Report for the System and Havensight Mall for the month ending of February 29, 2024.

Total Collections for February 29, 2024 is \$19M and FYTD is \$188M. Total Disbursements for February 29, 2024 is \$24M and FYTD is \$124M; Net Cash Deficit is \$4.7M a Net Cash Surplus for FYTD of \$63M

Havensight Mall.

Total Collections for February 29, 2024 was \$435K and FYTD \$2M; Total Disbursements for was \$415K and FYTD is \$2M and a Net Cash Surplus of \$20K and Net Cash deficit of \$43K FYTD.

Admin Dawson said prospective tenants are interested in renting Havensight Mall, making it competitive to expect zero vacancies. There are currently eight vacant spaces at Havensight Mall.

Trustee Dorsey requested an update of the Havensight Mall manager position, and Administrator Dawson said the Director of Retail, Dining, and Entertainment position at GERS is receiving applications.

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

March 19, 2024

A motion was made by Trustee Smith and seconded by Trustee Liger to accept the Treasurer's Report for February 29, 2024. The motion passed with 4 Yes (Bowry, Liger Smith, and Callwood), and 2 Absent (Dorsey and Russell)

Investment Officer's Report

Mr. Glenville Henderson read the investment report for the month ending February 29, 2024.

· Total Plan returned 2.4% for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities.

Total Domestic Equity returned 5.4% for the month.

· Total International Equity returned 2.8% for the month

- Develop Market Equity returned is 1.9%
- Emerging Market Equity returned 4.8%

Total Domestic Fix Income Return -0.6%

- Investment Grade Bonds returned -1.4%
- TIPS returned -1.1%
- High Yield Bonds returned 0.3%

· No funds raised for the month of February

· Total Alternatives returned 0.3% for the month

A motion was made by Trustee Smith and seconded by Trustee Bowry to accept the Investment Officer's Report for February 29, 2024. The motion passed with 4 Yes (Bowry, Liger, Smith, and Callwood), and 2 Absent (Dorsey and Russell)

Privileges on the Floor

None

Adjournment

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