

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

**St. Thomas/St. Croix
Thursday, May 30, 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: 4/16/24)
- 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). Dissolution of the Havensight Management Oversight Committee
- XIII. Privileges of the Floor
- XIV. Adjournment

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

May 30, 2024

The Regular Meeting of the Board of Trustees for was called to order at 9:40a.m. At roll call, Trustees present were Bowry, Dorsey, Russell, Smith, and Callwood. The meeting was held via Zoom. Trustees not present during roll call were Liger (excused) and Ex-Officio Richardson. A quorum was established with 5 voting Trustees present.

Staff in attendance: Angel E. Dawson, Administrator/CEO, Acting General Counsel, Ishmael Meyers, Asiah Clendinen Gumbs, Senior Deputy Administrator, Michele Nico, Deputy Administrator, Ms. Shoran D. C. Sasso, Chief Benefits Officer, Glenville Henderson, Investment Analyst, Roy Moorehead, Chief of Security / Assistant Property Manager, Havensight Mall, Sakeeda Freeman, Communication and Member Education Specialist, LeSean Moses, IT, Trenette Donovan, Financial Administrative Specialist, Nikia Coley, Administrative Assistant to the Board

Also, present at the meeting were Pedro K. Williams, Board Counsel, Desiree Hill, Stenographer and Ms. Florine Audain-Hassell, Assistant Director of Division of Personnel, representing Ex-Officio Richardson.

Trustee Russell requested to be excused at 10:15a.m. to attend a court matter.

Comments and Suggestions from Retirees

None

Comments and Suggestions from Active Members

None

Secretary's Minutes (Regular 4/16/2024;

A motion was made by Trustee Smith to accept the minutes of April 16, 2024, and seconded by Trustee Dorsey. The motion passed with Yes 5 (Bowry, Dorsey, Liger, Smith, and Callwood), and 1 not voting (Russell)

Communication and Correspondences

None

Chairman's Report

Attended the National Conference on Public Employee Retirement Systems (NCPERS) conference on May 19th – 22nd in Seattle Washington.

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

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Administrator's Report

- April 17 Issued Press Release commenting on GAO Report entitled: "Retirement Security: The U.S. Virgin Islands' Pension Plan Faces Risks Paying Government Employee Benefits"
- April 18 Loans Program Update Meeting
- April 25 Meeting with Vitech re: outstanding service tickets
- April 26 Loans Program Kickoff Meeting
- April 29 Official Restart of Limited Personal Loans Program
- May 6 Meeting at Havensight with sculptor re: design of park statue
- May 8 Meeting with Net-At-Work software vendor
- May 9 Attended St. Thomas Employee of the Year Ceremony as part of Public Service Recognition Week
- May 10 Meeting with Havensight Mall tenant
- May 10 Attended St. Croix Employee of the Year Ceremony as part of Public Service Recognition Week
- May 14 Testified at V.I. Legislature in favor of Bill No. 35-0238, sponsored by Senators Potter and Bolques to grant GERS security personnel "peace officer" status.
- May 19-22 Attended National Conference on Public Employee Retirement Systems
- May 24 Announced the hiring of Director, Retail, Dining, and Entertainment/Property Manager of Havensight Mall

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

May 30, 2024

Member Services

Retirement Applications - as of May 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	49	
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>155</u>	<u>39</u>	
Total	294	275	245	401	315	240	343	325	291	88	
Processed	<u>293</u>	<u>275</u>	<u>245</u>	<u>401</u>	<u>315</u>	<u>240</u>	<u>342</u>	<u>323</u>	<u>265</u>	<u>11</u>	
Remaining	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>26</u>	<u>77</u>	<u>107*</u>
% Completed	99%	100%	100%	100%	100%	100%	99%	99%	91%	13%	

**Contributions Processing-Refunds and Death Benefits
October 1, 2023 – April 30, 2024**

Refunds

	<u>No. Cases Completed</u>	<u>Total Amount</u>	<u>No. of Cases Pending</u>
Regular	238	\$4,497,637.27	56
Erroneous	9	6,700.86	9
Employer Share	11	110,386.49	2
Overpayment	<u>187</u>	<u>\$ 524,944.85</u>	<u>1</u>
Total	<u>445</u>	<u>\$5,139,669.29</u>	<u>68</u>

Death Benefits

<u>Types</u>	<u>No. Completed 10/1/23-04/30/2024</u>	<u>Amount 10/1/23-04/30/2024</u>	<u>No. of Cases Pending</u>
Active	27	\$ 1,493,272.76	39
Retired	<u>4</u>	<u>138,927.61</u>	<u>16</u>
Total	<u>31</u>	<u>\$ 1,632,200.37</u>	<u>55</u>

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

May 30, 2024

Accounting Department

Annuity Payments

No. of retirees as of May 15, 2024, payroll: **8794**

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

700	Pensioners	\$0.00	
702	Service Retirement Annuities	164,106,109.73	
703	Survivors' Annuities	1,036,404.60	
704	Duty-Connected Death Annuities	1,602.15	
705	Duty-Connected Disability Annuities	1,963,872.91	
706	Non-Duty Disability Annuities	984,284.36	
	Totals		168,092,273.75

Number of retirees added to payroll from October 1, 2023 – May 15, 2024: **221**

Number of retirees added to the payroll for the May 15, 2024, pay date: **17**

Number of retirees expected to be placed on payroll for May 31, 2024, pay date: **13**

Number of retirees deleted from payroll from October 1, 2023, through May 15, 2024: **187**

Note: As of 5/15/24 payroll, the Gross Retiree Payroll has arrived at \$ **11,264,335.86**

Disbursement by Location as of 5/15/2024

Location	Total Count	Total Checks	Total ACH
Puerto Rico & Other islands	69	10	59
United States	1701	31	1670
International	5	2	3
	1775	43	1732
St. Thomas	4069	72	3997
St. Croix	3508	60	3448
St. John	227	5	222
	7804	137	7667
Total disb.	9579	180	9399

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

May 30, 2024

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LOAN PORTFOLIO**

UNITS

PERSONAL LOANS

	DATE		
	4/30/2024	STT/STJ	STX
Active Personal Loans	404	228	176
Retiree Personal Loans	351	199	152
Total Active Loans	755	427	328

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**

826 479 347

TOTAL OUTSTANDING

April 2024

	Total	STT/STJ	STX
Active PL -	\$ 2,881,207.42	\$ 1,614,101.47	\$ 1,267,105.95
Retiree PL -	1,564,560.23	868,976.98	695,583.25
Purchase/Refi -	1,193,304.64	864,065.10	329,239.54
Construction -	1,621,496.32	947,975.46	673,520.86
Land Loans -	349,564.54	333,493.45	16,071.09
Auto	7,727.74	\$7,727.74	-
GRAND TOTAL	\$ 7,617,860.89	\$ 4,636,340.20	\$ 2,981,520.69

GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM MINUTES BOARD OF TRUSTEES REGULAR MEETING

May 30, 2024

Administrator Dawson announced that the Loan Program has received 1,563 expressions of interest and 197 applicants were removed because of duplicate names and ineligibility. As a result, this left 1,366 eligible applicants. Six hundred twenty-eight applications have been approved with 240 from the St. Thomas/St. John District and 388 from the St. Croix District, resulting in a 46% completion rate. Administrator Dawson commended the efforts of the Loans Unit in meeting the deadline to restart the personal loan program by April 29th.

Operations

St. Croix Office Complex

BUILDING:

No major issues other than ongoing maintenance.

St. Thomas Office Complex

BUILDING:

New GERS Main Generator

- Build a foundation and extend the room. (Work in 100% complete)
- Install generator in room. (Work in 100% complete)
- Vent generator correctly – (In progress- Fabrication 2-3 weeks to completion).

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.

The second floor has been laid, and the third-floor structure is being framed.

Havensight Mall Strategic and Infrastructure Plan - RFP

Meeting in June to discuss market research findings and finalize plan.

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
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Rental Collection

Office Buildings Rental and Electricity Collections – Exhibit A

	<u>April 2024</u>	<u>Total FYTD</u>	<u>Arrearages</u>
Rental	\$205,429.59	\$670,042.02	\$56,077.08
Electric	\$43,197.83	\$234,515.67	\$46,256.54
Total	\$248,627.42	\$904,557.69	\$102,333.62

LEASES

No Updates.

Questions for Administrator Dawson

Trustee Smith inquired about the status of peace officers Bill 35-0238. Administrator Dawson reported that the bill was approved by the 35th Legislature Committee on Homeland Security, Justice and Public Safety but was not by the Rules Committee.

Treasurer's Report

Denise Jeremiah, CFO read the Treasurer's Report for the System and Havensight Mall for the month ending of April 30, 2024

Total Collections for April 30, 2024 is \$17M and FYTD is \$218M. Total Disbursements for April is \$26M and FYTD is \$176M; Net Cash deficit is \$10M a Net Cash Surplus for FYTD of \$42M

It's important to note that the GERS portfolio is up to \$97M.

Havensight Mall.

Total Collections for April 30, 2024 was \$491K and FYTD \$3M; Total Disbursements was \$456K and FYTD is \$3M and a Net Cash Surplus of \$34K and Net Cash deficit of \$46K FYTD.

It's important to note that the Receipts and Disbursements report includes the \$124M from the Funding Note.

A motion was made by Trustee Dorsey and seconded by Trustee Bowry to accept the Treasurer's Report for April 30, 2024. The motion passed with 5 Yes (Bowry, Dorsey, Liger, Smith, and Callwood) and 1 Not Voting (Russell).

**GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
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Committee Reports.

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

Investment Officer's Report

Mr. Glenville Henderson read the investment report for the month ending April 30, 2024.

Funds raised in the month of April totaled \$19.5M and ended the month of April with \$510.3M.

Total Plan returned 2.2% for the month (includes local investments and not Loans and St. Thomas and St. Croix facilities).

Total Domestic Equity returned -4.5% for the month.

Total International Equity returned -1.8% for the month

- Develop Market Equity returned is -2.5%
- Emerging Market Equity returned -0.4%

Total Domestic Fix Income Return -1.4%

- Investment Grade Bonds returned -2.5%
- TIPS returned -1.6%
- High Yield Bonds returned -0.9%
- Cash Returned 0.4%

Total Alternatives returned -0.1% for the month

Trustee Smith inquired of the outlook of GERS getting out of index funds and more into active management. Administrator Dawson requested that this topic be postponed until the Board Retreat in July with our Investment Managers for a more thorough discussion.

Trustee Dorsey asked for the April drawdown amount, which Mr. Henderson stated as \$10M.

A motion was made by Trustee Smith and seconded by Trustee Dorsey to accept the Investment Officer's Report for April 30, 2024. The motion passed with 5 Yes (Bowry, Dorsey, Liger, Smith, and Callwood) and 1 Absent (Russell)

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

May 30, 2024

Regular Session

Chairman Callwood yielded the role of Chairperson to Trustee Smith to discuss the dissolution of the Havensight Management Oversight Committee. Trustee Callwood suggested bringing the Havensight Oversight Committee under the Investment Committee to make operations more efficient especially since all board members comprise the Investment Committee.

Trustee Dorsey asked if the Investment Committee will meet more often to address matters related to Havensight Mall. Trustee Callwood explained that the Investment Committee meets quarterly with advisors, but additional meetings can be scheduled if necessary. Trustee Callwood emphasized that the decision on Hotel Development was collective, highlighting the board in the process.

A motion was made by Trustee Callwood and seconded by Trustee Liger to dissolve the Havensight Oversight Committee and move it under Investment Committee. The motion passed with 5 Yes (Bowry, Dorsey, Liger, Callwood, Smith), and 1 Absent (Russell).

Trustee Smith turned over the role of Chair to Trustee Callwood to proceed with the meeting.

Privileges on the Floor

None

Adjournment

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

The meeting ended at approximately 10:45 a.m.

The minutes for the Regular Session were transcribed from Zoom recording by Zaida Castro, Legal Secretary to the Acting General Counsel and reviewed and edit by Angel E. Dawson Jr. Administrator and CEO.



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