GERS BOT·s Monthly Meeting 4/16/24

GERS Retirement System (Board of Trustees)

April 16, 2024 · 1.4 hours · gov

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0:00:00 Thank you. . All right, good morning, everyone.

0:01:28 um is government employees retirement is government employees retirement system regular meeting of the board of trustees for april 16 20 24 is here by call to order have a roll call please yes good morning mr chairman um trustee nellen barry present trustee barry present trustee andre dorsey present trustee dorsey present trustee vincent liger present trustee liger present uh ex-officio member cindy richardson Ms. Richardson present, trustee Ronald Russell, trustee Russell absent, not excused, trustee Russell absent, trustee Leona Smith present trust trustee leona smith present trustee dwayne colwood present trustee colwood present mr chairman there are five present and one absent all right thank you mr administrator um next up we have comments and suggestions from retirees but before we begin um please allow me miss mary mohead sent um correspondence that we had went into the record during the february meeting and i neglected to respond to it i want to respond to that now before

0:03:16 okay um in her email she raised she raised four points the first one was the right to the pfa to provide grs the millions that was not that would that will not be materialized until the room cover over is back to 1350. The second item was to revisit eligibility requirements, particularly for retirees to be a GRS trustee. Third item was to allow open meetings in accordance with the Virgin Islands Code and the fourth item was for the Board of Trustees to research for the Coakley Bay property to construct housing that GRS members can obtain with the mortgage forward so let me address the first point which was to rate the pfa to provide the grs with the millions that would not materialize until the rom come over 1350. the administrator and i met with the governor in january at government house a number of matters were discussed one of them was a 34 million dollar shortfall in october 1 2023 spv payment to the grs The governor discussed his strategy to address the matter, and he also shared some feedback that he had received up to that point. The governor is the chairman of the board for the Virgin Islands Public Finance Authority.

0:04:36 Since he is aware of the shortfall and is pursuing a strategy to address it, I don't believe that a letter from the GRS to the PFA is appropriate. A letter from the GRS to the PFA requesting the funds will not create any additional obligation beyond what is already laid out in the Board of Nerners Code. I believe that such a letter will do nothing to help the GRS get the funds any quicker, but it could serve as a trigger of public confrontation between the GRS and the plan sponsor. I believe that such a public confrontation would be counterproductive to efforts to get the monies that we owe so accordingly i'm not in favor sending such a letter to the pfa point number two to revisit the requirements for eligibility for a retiree to solve on a board of trustees for the grs the requirements for eligibility to be on the grs board of trustees is said by law only the virginal legislature can amend the law it was brought to my attention in december of 2022 that a proposal to lower the requirements for retirees to serve on the grs board of trustees was amongst a list of at least a dozen demands that were sent to members of the 35th legislature that were elected from the sinkhole district clearly there was no appetite among the senators to make that change there's also no appetite on my part to make that recommended change either as a matter of fact i vehemently opposed today and forever any and all efforts to lower the eligibility requirements to be a grs trustee it is my opinion that this board is too important item number three our meetings are in fact open meetings as a matter of fact we have had members attend the meeting right here in this conference room and st thomas for 2024.

0:06:31 nonetheless the conference room in each district is and will be open and available for any person who elects to attend in person item number four with respect to the development of coakley bay um to provide housing for grs members let me assure the public that each and every member of this board would love for the grs to contribute to making affordable housing a reality for members across the territory however what we would like to do and what we can afford to do is not in alignment at this time the board is open to vet in any ideas or proposals that would lead to development of system-owned real estate with an emphasis on home ownership the grs at this time is not in a position to restart the mortgage program so those are my responses to the four items that were um that were put forth by member mary moorhead so at this time are any comments and suggestions from retirees good morning good morning go on good morning this is mary moorhead good morning good morning all right good morning uh i thank you i i did that i did come this morning and i would want to uh make sure director reflects that this is the first meeting that i am aware of it was open for in-person attendance and that's why i'm here this morning and was specifically looking to ask about the uh items that i raised in an email that was never addressed but um i must point out that i am a bit concerned of the dictatorial attitude of the chairman in addressing the issues that was not my intent for the because if that be the case then the chairman could then answer the questions right there at the retirees meeting when they were first presented and i still have a problem with it not being a discussion with all board members uh but i do know that if

0:08:49 the board members sit and accept the situation as it was put forward well then there's nothing that i can do but i am disappointed in the posture and presentation this morning thank you you need for me to stay in a dictatorship all right so let me correct the record the issues were addressed when we met with the st corey retirees group um it's more here to walk out at the meeting so maybe you didn't hear the responses but those matters the questions that you raise and points that you raise will address at that meeting so i just want the record to reflect that any comments and suggestions from any other retirees all right and any comments uh miss nico could you mute any comments and suggestions from active members uh point information chair chelsea dorsi give me a second please let's let's stick to the agenda any comments and suggestions of active members chelsea dorsi go ahead with your point of information yeah the uh response you had to the retirees um specifically miss moorhead i i assume i guess today you just presented that to us officially because i didn't see a copy sent out if i can get a copy i'd appreciate it of your response no problem thank you all right secretaries minutes um secretary secretary's minutes for the regular meeting on february 22nd 2024 are there any are there any edits or corrections to be made to those minutes Can I have a motion to accept those minutes?

0:11:03 Let's not all speak at once. Can I have a motion to accept the minutes? I shall move. Moved by Trustee Bowery. Do I have a second? Second. Seconded by Trustee Liger. Yes, Mr. Chairman. Trustee Nellan Bowery? Yes.

0:11:33 Trustee Bowery, yes. Trustee Andre Dorsey? Yes. trustee dorsey yes trustee vincent leiger yes trustee leiger yes trustee ronald russell trustee trustee russell absent trustee leona smith trustee leona smith and we lose trustee smith yeah trustee smith absent yes trustee smith yes trustee dwayne collwood yes trustee collwood yes mr chairman five yes one absent all right thank you um next up we have the regular minutes from the march 19 2024 meeting are there any edits or corrections to be made to the minutes from the March meeting. Hearing none, can I have a motion to accept the minutes?

0:12:40 So move. Move by Trustee Liger, can I have a second please? Second. Seconded by Trustee Bowery. can i have a roll call please yes uh trustee bowry yes trustee dorsey yes trustee dorsey yes trustee liger yes trustee liger yes trustee russell absent trustee leona smith trustee leona smith i think she's at the gd function here trustee smith trustee smith not voting trustee colwood yes trustee colwood yes mr chairman four yes one not voting one absent thank you are there any communications and correspondences and no mr chairman i did said yes you know oh oh we didn't have julie noted trust okay so let me restate the vote trustee smith yes mr chairman five yes one absent thank you okay um chairperson's report i don't have anything to report um this one administrator's report uh yes uh good morning mr chairman and uh trustees all in attendance um my administrator's report begins as usual with a summation of meetings presentations and

0:14:29 appearances and I must indicate that I was traveling on business when the information was submitted for this report there are some errors which will be subsequently corrected it's already been corrected so I'll read the corrected version so March 20th we had a Haven development meeting that I March 21st we conducted Vitec updates meetings. March 25th I traveled to St. Croix for a monthly staff function. March 27th we had another Vitec update meeting. April 2nd there was I participated in a financial update and budget planning meeting with our CFO. April 3rd I participated in a Velocity demonstration which is the new version of the B3 software program. April 3rd was a multitasking type of day because I also attended to the extent possible the GBI audit kickoff meeting on behalf of GERS. April 4th attended a matching fund special purpose securitization corporation meeting on april 4th i conducted a personal loans limited restart meeting and april 8th through the 11th i was in attendance on behalf of the haven site mall at sea trade at the sea trade conference with regards to the personal loans program that i mentioned i would like to thank our media partners that gave us coverage on the restart of the program I must also indicate however that one major media source did in fact despite receiving a detailed press release that gets the story somewhat wrong and created some confusion when they indicated

0:16:34 that former government employees who are active members of the government employees retirement system can state their interest in acquiring personal loans that is incorrect as the press release went to great lengths and it was shared with all board members press release went to great length to to emphasize that the limited restart is limited to active employees not to former government employees who are active members because there's no such thing anyway having said that I'd once again like to thank our media partners who got it right. I would indicate that at this point, we have received 1,329 indications of interest from active government employees with regards to being able to get a personal loan from the GERS. We're going through the pre-application, pre-screening process based on those expressions of interest. The deadline for online expression of interest is this Friday which would be the 19th and for those who for whatever reason would prefer to come in to either our facilities on St. Croix or St. Thomas, the deadline is noon on Thursday to allow time for the processing of those expressions of interest. Everything is proceeding well thus far. Our system has worked well in terms of receiving the expressions of interest. Our staff has been going through those, excuse me, as indicated. And we will begin on or before Monday, April 29th, the actual scheduling of applications or appointments, rather, for folks to come in and complete the application with their loan being processed shortly thereafter. It is possible, based on how we're moving, that that date may be moved forward to before April 29th. If that is the case, we'll be contacting members in a chronological order in which their expression of interest was received. Just some quick math. If those 1,329 expressions of interest were to be successful because they qualify otherwise, we would be looking at approximately $12.6 million in personal loans. So we are still within the $20 million that has been approved by the board. Okay, so we're off to a very good start with that restart of the limited personal loan program. I'd also reported this time on a related issue that Bill number 350196 was signed into law by Governor Bryan and is now Act number 8822. and it makes various amendments to the loan program and the authorities that the Board of Trustees has with regards to GRS loans. So that would be it in terms of my reporting on presentations and appearances. As usual I'll continue with some high-level statistics from our various divisions.

0:20:13 Before I proceed, Mr. Administrator, is there anything about the matching fund securitization board meeting that you could share publicly? Sure. It was actually an open meeting. It was advertised and frankly that's the way that I learned about it. So I decided to attend on behalf of the GERS. It was not open to inputs from from persons attending it was very perfunctory uh the the um the fund manager um for the pfa and for this special purpose corporation uh reported on the financial results of the corporation uh i must say disappointingly there was no discussion with regards to the matching fund cover over and the prospect of receiving the additional 32 million dollars that is owed were the rate to be increased to 1325 so while I was hoping to get some updates on that there was no discussion on that matter so we continue our usual back-channel communications to see if we can get any updates with regards to where that stands but as of right now it is basically status quo with the territory waiting for the congress to pass the extenders that would increase the cover rate from 1050 back to 1325 so that that is not the report i would have liked to have given but that is the factual report thank you you're welcome okay so uh proceeding with the statistical uh updates um in 2022

0:22:09 we received um 325 retirement applications of which 322 were i'm sorry i meant to give the 2023 information in 2023 we received 290 applications for retirement and we have processed 247 so that's an 85 completion rate thus far in 20 in fiscal 2024 we have received 72 of which two have been processed so far so we have 70 remaining from the current fiscal year and 43 from the prior fiscal year um so we have a total of 118 retirement applications that are pending and typically uh if it takes any period of time it's because documentation may not yet be in order so that we can proceed with approving the retirement application uh contributions processing jumping again sorry um that one that's sticking out there from 2015 i think if you go back a little bit that's i mean is there any reason why that's still there i mean it seems to me if it's from 2015 and not resolve it i don't know it should be dropped off the list or something i don't know what what's what's up with that yes um miss uh clendenin gums is going to answer with that specific uh question um trustee bori i'm thinking what the person from 2015 um cannot be found they were a homeless person um or they became homeless after retirement and they're not able to be found so if they resurface they're eligible they qualify the retirement annuity is there waiting so to trustee barry's um question though i think maybe it is worth considering whether we should remove that from the application stage or do we allow it to remain indefinitely that is something we'll discuss internally uh trustee barry and uh we'll be

0:24:24 able to report back in the next meeting but thank you for that question okay all righty so um with regards to contributions uh processing for um refunds and debt benefits um we have paid out from for the fiscal year thus far some three million nine hundred eighty two thousand dollars um and we have about 90 cases pending uh completion of processing uh and those Those are refunds that I just referred to. In terms of death benefits, for the fiscal year thus far, we paid out $1,228,000 approximately in death benefits and we have 57 cases pending completion. The payments for the fiscal year thus far have totaled $145,574,829.19. In terms of the number of retirees added to the payroll through April 15th, we've had And then for the April 15th pay dates, which was yesterday, 19 were added for a total of 212. The number of retirees that we expect to place on a payroll on April 30th is 11. So that's a total of 223 thus far in the fiscal year. The number of retirees deleted from the payroll through April 15th has been 161, and so that is a net increase in retirees of 51 for the fiscal year thus far. As of April 15th, the retiree payroll has amounted to $11,249,442.13. That was the payroll for the April 15th payroll. In terms of disbursement by location, we have 9,382 annuitants, 1,731 of those are off-island, 7,651 of those are in the USVI, and of the 9,382 the vast majority continued to be paid by by ACH I'm sorry

0:27:08 we have 9,569 annuitants 9,382 of those are paid by ACH and only 187 are paid by checks so the vast majority as I was indicating indicating has are being paid by by ACH and if we could get the other 187 off of checks that would be great in terms of personal loans and this is pre the programs restart of course we have 653 personal loans on our books as of as of mark as of March 31st 2024 and we have 71 mortgages for a total of 724 of course we will be expecting the number of personal loans to basically skyrocket by the time we give not our next monthly report then certainly Excuse me, the monthly report after that.

0:28:18 The dollar figures, there's a total for both personal loans and mortgages of $6,766,870, of which $4.3 million more or less is in the St. Thomas and John district, and $2.5 million is in the St. Croix district. So that is the statistical portion of my monthly report. Then we'll proceed to operations. Things are fairly good in operations. We have no major building issues in St. Thomas or St. Croix. I must commend the staff for doing a very good job in maintaining our facilities. In terms of ongoing projects, the new GERS generator here at the complex in St. Thomas is about 90% complete in terms of the installation, and I think that our contractor has been doing a very good job on that. it's uh you saw it this morning mr chairman the housing anyway uh haven site mall we did receive the permit uh to be able to proceed with the installation of the generator at uh at haven site wish it was there already uh in terms of being it's there already but in terms of being installed given the uh the ominous uh news that we've all received from wapa in terms of rotating outages so hopefully somehow that misses us even though we are i think on the schedule correct uh the mall i'm sorry the hotel is proceeding very well hopefully everyone has an opportunity to pass by to patronize our tenants and see the progress that is being made on the hotel the much of the infrastructure of the first floor is already in place and they're about begin um construction of the second floor so um no indication of any issues from the developer in terms of the construction or the construction schedule and i do have to report that we continue to have arrearages in rent collection from the department of justice and the division of personnel of course yesterday was tax day and the government base on statements that I think we've all heard has been staking a lot on revenue collections by the tax payment deadline of April 15th so hopefully there is an infusion of liquidity to the government and they're able to eliminate the arrearage of rent for Justice and personnel. Presently we're owed $111,189 from the Department of Justice for rent and another $82,409.08 for electricity. The Division of Personnel, Director Richardson, is much less, but it's $19,014.08 for rent and $32,891.82 for electricity. I must indicate that we, of course, have been fairly constant in our following up for payment, and we are reducing our request to writing at this point in the form of a demand for payment so hopefully that will be the end of that and in short order we will be receiving the um the arrearages from the government um the other arrearages that we have are relatively small amounts from a private tenant and we are working very aggressively with them as well so um mr chairman unless any questions that concludes the administrator's report

0:32:30 What did you say was the issue with the division of personnel averages? The same issue as it would be for justice, the unavailability of liquidity within the central government. Okay. Any word? I mean, as to a time frame? Well, hopefully with yesterday's tax payment deadline and long lines between Friday and Monday, the government has gotten an infusion of liquidity and will be able to work on past due bills, including past due rents of the GRS.

0:33:17 Okay. We shall see. Thank you. Welcome. Any other questions? Yes, Chair, I have a question. CEO, has your staff done any research into agencies in the government? that collect or receive their coverage for rent from the federal government.

Have your staff had the opportunity to do any research in that area since we're looking at bringing in additional government agencies?

0:33:59 So hopefully we don't fall into this category of not being able to collect rent for a variety of reasons. We had this discussion definitely prior to you coming on to the position and since you've been here so if the direction is to look for more agencies in the government what i discussed with you in the last meeting um of course with attorney meyers that the new lease is going forward was supposed to have a provision to put this particular item out with future agencies so since we have public safety getting ready to come on um i did make the request in the last meeting to do a follow-up on that true attorney myers and yourself so i'm not sure you can answer that today in terms of the new lease so it wasn't about tax collection it was about us getting ahead of the curve on collections if we're going to to future government agencies okay so trustee dorsey um typically even if an a an agency department is receiving federal funds it's not as if the federal funds can be applied anywhere within the department it has to be applied towards the activity as that's being funded with those federal funds in the case of the police department that negotiation was already well underway by the time I assumed the role and I don't know and so and also we're not looking for additional government agencies we just happen to have the police before us because the facility that we have particularly the former first federal I think it wasn't it wasn't for well it was first bank but before that it was a different entity that first bank

0:35:54 assumed um but there's a safe right uh so it was attractive to them because it's going to be the the firearms division that is placed there so the safe was attractive to them for security as you can understand um but i don't know that that division is being specifically funded and i doubt it by federal funds so it wouldn't be possible or legal to divert federal funds intended for a different program to the firearms division nonetheless i mean we are where we are and the lease has already been negotiated and has not yet been received back from the department of property and procurement uh with their approval and as see as coo clinton and gums indicated um in the last meeting property and procurement to its credit has put in place a process whereby there's actually purchase orders finalized before they sign off on leases to ensure the availability of funds to pay the lease. The issue that the government is facing isn't budgetary in the sense that the lease is not authorized and within the budget. It's a matter of liquidity and actual cash on hand an ability to pay rents. We expect in the case of the division of personnel and the Department of Justice that this is going to self-correct upon receipt of revenue, which I'll say once again, with the tax season just having come to a peak, I've heard statements that a lot is riding on that and the government's revenue collections have not gotten an update as to what the revenue collections were up to yesterday but i imagine that our intrepid news reporters are going to be inquiring and printing reports shortly in terms of revenue collections and we'll all hear it at the same time it's an unfortunate situation uh ceo uh and you're correct this started prior to you

0:38:06 coming on um but you do have individuals in the room who's supposed to support you well let me put it this way they support you um but it fell through the crack we did discuss this we vented this with the former league council so it's an unfortunate situation i'm trying to stay ahead of the curve which really has nothing to do with the cash because had we put the language in the current contract with public safety we would have had the cushion ceo we don't have that cushion now so even though we talk about this new system that property and procurement has still doesn't give us the actual question where we would have had the cash on hand not still waiting for cash or some new system that they're proposing to us my other questions to you um you get you said you attended to seek trade on behalf of the gers i guess i do have it labeled the haven site mall um you attended on your own or did you attend with other members of a team and what actually came out of that is there a report what you gathered that you can share um trustee dorsey uh i was accompanied by mr roy moorhead who is the acting property manager of the haven site mall and by miss asia clinton and gums our chief operating officer who also excuse me serves um in a in an oversight capacity with the haven site mall uh there was an exhibit that was promoting the haven site mall and that was space that we shared that the that the that the port authority was gracious enough to allow us to occupy free of charge and miss danica thomas very graciously hosted our presence in the exhibit space and promoted the haven site mall very effectively we just returned to the office yesterday so there is not yet a written report on that but we had several very good sessions and engagements

0:40:18 okay so when you have the report can i get a copy of what the engagements entail uh through the chairman uh we we will provide that report i appreciate that then the last item ceo um i noticed on your meetings presentation appearances you've been having meetings with haven site development uh meeting uh meeting with haven sites um meeting with ideas I've been requesting, when are you going to have an Haven Site Oversight Committee meeting? We will be providing an update to the Haven Site Oversight Committee this month, and we will be inviting ideas, or have invited ideas, to our July retreat, at which point all trustees would be able to be updated at the same time with regards to the progress, which has been tremendous. that we have made with ideas.

0:41:25 Well, the only thing I was indicating, we were, well, prior to you coming on, we were meeting on a monthly basis. The meetings were generally after the general monthly meeting. The Haven Site Committee meeting would meet in the afternoon from anywhere from 1 or 2 to 4, 4.30. So we haven't had but maybe one meeting since you're here in this capacity in terms of the haven site so i'm not sure how we reduce it from from one meeting from when you came on originally basically to now you're waiting to your retreat this is an operation uh moving organization and it always had some level of balance with other than those who are directly under your watch in the room to bring some balance and bring some different experiences since the committee was lacking uh definitely information from a tourism standpoint um so i was just curious as to why we wait until a haven site and why we because if you have the haven site oversight committee meeting monthly basis everybody's open to come to that meeting versus waiting a couple of more months to get to a retreat i mean i just try and understand what it is the direction you're going i mean there's nothing wrong with it i mean it's your it's your meaning you call it as you see it but that's how it was prior well thank you for um acknowledging my discretion in the matter trustee dorsey um so a few things first of all there's been more than one haven site management oversight committee we can pull the records on that uh secondly uh i have appointed an acting property manager that is responsible for the day-to-day management of the Haven Site Mall in the form of Mr. Roy Moorhead. And thirdly, there are different management styles, and I think that I was recruited for various characteristics, and one of those is to be very direct and very involved in terms of daily management. Haven Site Mall is being very well run, and I do not philosophically believe in management by committee uh so we are managing very effectively uh presently

0:43:49 oh so basically if i understand what you just said ceo you are saying that we don't basically need an oversight committee meeting on a monthly basis because you have an acting property manager uh at this point and you're also doing your meetings in between so you're basically you're telling the the trustees we don't need a haven site oversight committee i'm not saying that at all i'm saying that a monthly updates may be a bit much but periodic updates will certainly be forthcoming did you get a chance to review those those uh previous meeting uh even minutes or even the agendas they were pretty extensive um i understand you say you got your type of uh management you'd like to do i don't i don't want you i don't want you to feel like i'm infringing on what it is you want to do i was just trying to understand it to be truthful we went from one extreme to the other that's really all it was i mean i thought we were very productive that where we was that's why we have an ideas today i thought the committee was very productive i thought the team that we had was very productive and i just like in those meetings to hear the individual's employees speak their mind and not just go along with the flow i i just thought that that was just genuine so i didn't see a reason why to change it i like you said you have that discretion so i'm good with it if that's what it is that's what it is so you you just explained it i just didn't know i've been asking for several meetings as to why so it's only today you're telling me why we hired you and how you don't believe in managing by committee that's been very effective at the haven site mall so i'm good well thank you for acknowledging that it's working well uh trustee dorsey thank you you're welcome any other questions all right committee reports

0:45:57 the investment committee met last last evening april 15th we received um updates on our on the performance of our investment portfolio from our investment advisors makita any other committees all right treasurer's report mr reymeyer return point information chair yes trustee dorsi when is the next scheduled development committee meeting is there anything on the agenda coming up on that meeting not my knowledge i have no no no okay good morning thank you for the justice this is the government employees retirement system schedule of receipts and disbursement for the month of ending march 31st 2024. Receipts from collections we have loan repayment for the month of march 381,793 year-to-date 2,449,393 we have employer retirement contributions 8,521,236 Year-to-date, $47,589,017. Employee retirement contributions, $4,311,375. Year-to-date, $25,898,877. We have miscellaneous collection 99,647 year-to-date, 1,233,738 for total collection for the month of March of 13,391,831 year-to-date, 201,736,790. We have disbursements. We have annuity payments in the month of March of $22,679,918. Year-to-date, $136,075,315. Administrative expenses, $1,111,607. Year-to-date, $7,139,565.

0:48:41 Refund of contributions of $791,150, year-to-date, $6,171,087 for a total disbursement of $24,594,747, year-to-date, $149,466,871. dollars we have a net cash deficit for the month of march of 11 million two hundred and two thousand nine hundred and sixteen and a net cash surplus year to date of 52 million two hundred and sixty nine thousand nine hundred and nineteen our administrative expenses thus far for the year is 31 of the budgeted amount for our schedule of dispersed receipts and disbursement for the haven site wall we have rent collected of 433 1079 dollars for the month of march year to date two million five hundred and seventy nine thousand nine hundred and forty three total collections of four hundred and forty five thousand five hundred and forty eight dollars and for year to date two million six hundred and ninety five thousand fifty dollars our disbursement for the month of march is four hundred and five thousand four hundred and thirteen dollars year-to-date two million six hundred and ninety eight thousand ten dollars for a net cash surplus of forty thousand one hundred and thirty six for the month of march and a year-to-date net cash deficit of two mil two thousand

0:50:32 nine hundred and sixty one our expenses for the haven site mall was 34 percent of budget our statement of revenues and expenses for the month ending march 31st 2024 for the haven site mall we have um total revenues of $506,471. Year-to-date $2,529,007. We have expenses of $474,213. Year-to-date $2,809,262 for a net increase in the month of march of thirty two thousand two hundred and fifty nine dollars and a net decrease for annual of two hundred and eighty thousand two hundred and fifty five dollars what's the difference between this one the one just before that the difference is one is on the cash basis and the other one is on the accrual basis so the one the revenue is just what we collected above whereas in this one we reported the total revenues that should have been collected for the month and the year okay and that ends the schedules report for you um maybe i missed it uh miss jeremiah what was the drawdown as of today's meeting

0:52:31 um let me go back if i may trust the dossier um as of march 31st withdrew down about 75 million from the portfolio okay 75 million so we just did we just draw down to make this last uh payment did we draw down and how much it was this to make this last uh annuity payment did we just draw down yeah we we did do a draw in the month of march you'll see it in my report upcoming uh okay so miss jeremiah are we at uh on a monthly basis drawing down 20 or is it more like 15 we have been joined now like every other month 20. oh 20 every other month yes that's on average okay what's what's what's what's the reason for the every every other month is it how the payroll falls into place how we're receiving our monies from the central government it's several reasons when we draw we take a look at our expected collections what we have currently in the bank and as you know we have agencies who owe grs a lot of money and if we don't have enough then we job if we can squeeze it and said okay for the april 15 payroll and we say okay i think we can do it because when we look at the bank balance and what is outstanding we believe okay we can do it so i will say mr henderson even though i made a request we can hold off on it because we have enough now to go so we look at various things mr dawson to ensure

0:54:37 that we have the funding needed to operate i guess i guess my other question is miss jeremiah um is there a breakdown you can share with the trustees as to who or what how much the different agencies and do we continue to pay with those agencies all in all in us so much uh money do we still continue to pay out if we because we're not receiving money in do we have a choice i don't think we have a choice in paying out the retirees so we have to join order to pay when we don't receive the money and that's why we job when we don't have enough or even though they are paying and we don't have enough we have to still do a job to meet our obligations so okay i was looking at the the other document that we put out for today's meeting that comes from attorney myers that goes to the ceo that comes to eventually us i only saw the wapa monies in there that of agencies that owe money so you're saying there's other agencies that's not in that same document if you have access to it or maybe i can ask that question to attorney myers we have water and srnc snyder i don't remember seeing snyder in there maybe i oversaw that i an oversight on my part but is is that in the document um attorney myers is snyder in there snyder is not in there because we have not filed a lawsuit against snyder we currently have a lawsuit with uh against the water power authorities uh what is the reason why snyder has not been brought forward to us as trustees so that we can move forward on that

0:56:27 uh that i don't know but i can i will bring it forward so we can make a decision is that coming up in today's executive session no sir i do not believe it's in today's um miss jeremiah how how how uh i don't know how is it months or years that snyder has not paid are we talking about a little bit of money here it was approximately six million at this time so attorney meyer that six million old to the system you don't think something should have been brought forward at this point yes i do believe something should have been brought forward but and i will bring it forward to the agreement so do you need help from the board council attorney mayer to have this i do not need any help from the board council i'm perfectly capable of filing a lawsuit okay i only say that because you are short an attorney in your section and of course when attorney smith was there two of you there now it's just one as far as i know you haven't hired anybody else i am perfectly so if you need help i don't think it's a problem for the board i do not need a council to assist you i am perfectly capable of filing a lawsuit against the snyder administration i mean i have filed a lawsuit against uh jfl before and i can file it against snyder okay i didn't want to press it anymore thank you mr jeremiah as always you do an excellent job

0:58:30 any other questions attorney i'm sorry ceo i have one more point uh chair ceo um i would only say this and miss jeremiah is so effective and so thorough i'm not sure how you're doing your new management style but to me she needs to be a sponge under you and even probably attending some of those different meetings she's that good i'm sure you have seen that yourself um i just putting that out there trustee dorsey my relationship with cfo jeremiah transcends my tenure at the gers in that she worked for me when i was commissioner of finance so i know her and her capabilities quite well and i do agree with you okay that's all i had to say she's really that good she's probably underpaid and all of the above but i know she's doing it from her heart not from her pocket she's just effective so i'm just happy to have there overseeing our system it makes me feel good it really makes me feel good any questions pertaining to the treasurer's report can i have a motion to accept the church report don't move move by trustee dolessy can i have a second please second seconded by trustee barry all copies yes mr chairman um trustee burry yes trustee dorsey yes trustee dorsey yes trustee dorsey yes trustee Liger trustee Liger trustee Liger not voting trustee Russell absent

1:00:34 trustee Smith trustee Smith not voting trustee Colwood yes trustee Colwood yes Mr. Chairman, three yes, two not voting, one absent. Thank you. Next up, the investment officer's report, Mr. Henderson. Hi, good morning, Mr. Chair and other trustees. This is an update of the investment portfolio as of March 31, 2024.

1:01:08 I'll begin with a brief summary of activities in the markets for the month. So, global markets saw strong gains for the month and subsequently for the quarter, driven by a resilient U.S. economy and ongoing enthusiasm around artificial intelligence. U.S. equities advanced, supported by well-received corporate earnings and expectations of great cuts later in the year. Eurozone equities also posted a strong gain, led by improvements in economic outlook as inflation in that area continued to cool. Emerging market equities gained over the month and quarter, but underperformed compared to their developed market pairs. Global bonds on the whole saw a significant shift in inflation and interest rate expectations. Government bond yields increased, while corporate bonds outperformed. What did that transcend to the plan?

1:02:04 Our total plan returned 2.2% for the month. Our domestic equity, actually the fiscal year to date, the plan was up 14.3%. So we are at the midpoint of the fiscal year and we've seen some pretty robust return up to this point. Total domestic equity returned 3.2% for the month. Fiscal year to date is up about 24%. And that domestic equity makes up about $233 million of the portfolio.

1:02:42 Total international equity returned also 3.2%. Fiscally at the date, up strong as well, about 16%. The developed market equity returned about 3.4%. market equity made up about 2.5%. Total domestic fixed income was up slightly at 0.9%. Our investment grade bonds returned 0.9%. Our tips portfolio returned 0.7%. And our high yield bonds returned a robust 1.2%. Our total alternatives returned 0.1%. What did that equate to in dollars or flows?

1:03:29 We ended the month at approximately $533.9 million. So in the one-month period, we began at about $542.5 million. We had a net cash flow of about $20 million, which included $20 million to fund benefit expenses and about $60 million in fees. We had income of about 105,000. We had an unrealized gain in the portfolio for the month of about 11 million, 11.3 million. That brought us to the ending market value of $533.9 million. Fiscally at the date, we began with a market value of about $413.5 million. We had a net cash flow currently of $48.9 million.

1:04:25 That includes the funding note we did receive and backing out that $75 million that I did mention a little earlier. Income, $656,000. fiscal year to date we've you know we've shown that that 14.3 percent gain here at about 70 71 million fiscal year to date that brought us to that um ending market value again of 533.9 million so fiscal year so far at the halfway point uh the plan has been very strong um as it relates to investment management custodian and consulting fees we've paid uh month to date we've paid about 16 000 and that was to the custodian bank year to date we've paid about 99 000 fiscal year to date we've paid about two hundred and two thousand dollars uh as it pertains to securities lending proceeds we we've received uh month to date we've owned about um one thousand year-to-date, we've earned about $7,650, and fiscal year-to-date, we've earned about $18,950. And, of course, all those proceeds have been reinvested into their respective funds. Mr. Chair, trustee, that ends my report, and I'll be happy to answer any question that you may have.

1:05:51 Any questions? Any questions? Aaron, can I have a... Before you move on, I was looking for the fees. Wait a minute, did you share the fees? I don't have the fee schedule on this particular report, Trustee Borey, but we typically pay about three basis points in fees, so very minimal.

1:06:26 very minimal um if you want to go forward i could include that in the uh in the report yeah i'd like this i'd like to see that okay isn't it uh chair i just have another question a follow-up because i was looking for that myself but uh mr anderson isn't the fee uh the fees it's like a hundred and change yeah yeah i think right now overall uh based on our um assets i i think it's like a hundred and something thousand dollars overall yes yeah i think in the um in the in the presentation we had yesterday i think there was he's mentioning fees in the report right right mikita usually includes this in their quarterly reports so uh for um for monthly purposes i i uh we typically don't don't do it but if you want me to put it in for months because that's fine no i mean quietly works for me okay thanks sorry i was muted i was muted sorry what was the um did you have an actual dollar amount that we had gained in actual dollars for the report so yes um but if you look at um the the report here so fiscally at the date we've gained about 71 million same number from last night correct that's excellent what was it what did you say was the total for the um the last two quarters

1:08:13 uh this report is on a monthly basis i don't have the quarterly um totals but i can get that to you trust me dawson okay okay thank you no problem motion to accept the investment officers report so move Second. Second. Moved by Trustee Dorsey, seconded by Trustee Baurry.

1:08:51 Vocal, please. Trustee Baurry? Yes. Trustee Baurry, yes. Trustee Dorsey? Yes. Trustee Dorsey, yes. Trustee Liger? Yes. Trustee Liger, yes. Trustee Russell, absent. Trustee Smith? trustee smith not voting trustee colwood yes trustee colwood yes mr chairman four yes one not voting one absent all right thank you uh this time let's take a five minute recess reset for five minutes all right we are back in the record okay um this next item that we have on the agenda for rig for regular session the crest for a soul source roofing contractor um there are some intricacies involved with this matter that are not for public consumption so i'd like to have a motion to move it this matter to executive session which which matter is this the request for soul source um roofing contractor

1:10:45 there's some proprietary information um contained within the matter that what kind of uh i had a point information chair before you go into executive session if that's what we're going to do at this time, because we're coming at a regular session. What is your point of information and reference to? I think two, maybe three meetings back, the CEO indicated that he was reorganizing the system. That was going to be shared with us.

1:11:25 Whenever that was completed, i didn't know if there was any movement in that area but if it was i'd like to see a copy of that document and then also critical positions on the succession planning buyers position do we have anybody as an understudy in that type of position that's part of this reorganization uh-huh let's hold hold this for when we get to privileges of the floor let's let's get to the agenda save this for privileges of the floor okay then so can i get a motion to move this um item from regular session to the executive session move by trusty barry can have a second second second by trusty dorsey have a roll call please uh yes trusty barry yes yes trustee marie yes trustee dorsey yeah was that a yes yes yeah okay trustee liger yes trustee liger yes trustee russell absent trustee smith trustee smith not voting trustee colwood yes trustee colwood yes mr chairman four yes one not voting one absent okay can i have a motion to go into executive session i'm sorry i thought that's what we just did no that was a motion to move the item to executive to rearrange agenda okay i'm sorry so moved

1:13:24 second moved by trustee bowery seconded by trustee Yes. Trustee Bauri? Yes. Trustee Bauri, yes. Trustee Dorsey? Yes. Trustee Dorsey, yes. Trustee Liger? Yes. Trustee Liger, yes. Trustee Russell absent. Trustee Smith? Trustee Smith not voting. Trustee Colwood? Yes. Trustee Colwood, yes. Mr. Chairman, four yes. One not voting, one absent. Okay. uh mr dawson yes uh attorney williams i think technically it's too absent because i don't think miss smith is with us any longer sorry i think technically it's too absent because i don't think miss smith is with us any longer well i i don't know that she isn't she was earlier mr chairman shall i mark trustee smith as absent Thank you.

1:14:38 Change your phones, you just have a difficult issue. Okay, we're back in regular session. In executive session, we discussed some legal matters, some procurement matters, as well as some medical review committee matters. Privileges of the floor. Trustee Dorsey, I think you have an item. yes i just was asking question a question to the ceo in reference to the proposed reorganization plan and succession plan that you were putting together maybe you already put it together but if you have i'd like you to share it with the board okay um with regards to a reorganization plan i can share with you some correspondence and with regards to succession planning that is a matter that is being worked on presently uh in conjunction with the uh exercise that we um undertook with uvi uh in terms of the um the the name of the document escapes me the strategic plan um that we're working on with uh in conjunction with uvi so uh that document um is a work in progress um and we will share the final document that would include uh the uh succession planning okay so um that that document from uvi can you refund that please can i do what the document that you guys said it hasn't it hasn't been sent oh i thought they i thought they it was completed they're not the document it's a work in progress

1:16:42 there was a group that came just before you came on ceo that uvi um group of uvi uh personnel put together is that is that a different document then i believe i thought it was i believe it's the strategic planning document that you're referring to which is a work in progress well let me ask miss clendenin gums she was the head lead person that was before you came on ceo if that's is that the same document i think one might have been shared if it's the same document or is this a different document that the ceo was talking about today it's the same document trusty dorsey okay okay okay so the reorganization plan how soon would that be done uh ceo well when you say a reorganization plan uh there have been some personnel changes that were made and shared uh communicated to staff i can share that document with you well you indicated to the board um it was requested by one of the other trustees that why don't you just put together the plan your regular reorganization plan and if that's what you're sharing that's fine i just thought it was going to be like a spreadsheet in the past we had an organizational chart along with um that part of the process so you may have another way you do it as you said you might do things different we'll share the organization just

1:18:30 like what it is sure we'll share the updated organizational charts uh with you and the other trustees okay so again i was asking earlier before we went into executive session in reference to t positions um throughout the organization and i'll go back and use miss jeremiah as an example she's key um if you have a under your succession plan do you have like one or two people under her uh that's part of that plan going forward because obviously her position is very key on making sure as we heard today that our our constituents get paid every 15 days on time uh so between her and mr henderson when they're juggling the numbers juggling the monies to make sure that these uh members are being paid on time um if that's part of it said he's gonna share the then hello ceo i'm sorry last person i was speaking with frosty barry yeah he just jumped in but i was speaking to you and i i raised that point it's critical because people are depending on that money sure well with regards to the in this i addressed that earlier and indicated that it is being um reviewed in conjunction with the strategic plan okay yes once again i agree that uh everybody has an important role to play and uh uh certainly our cfo and other officers um including myself frankly there should be and the operating officer should be taken into account in terms of uh succession of course with regards to the ceo which is uh the only entity that can um that can hire or fire a ceo is the board of trustees um so uh i think it would be more to the board uh to

1:20:42 discuss succession for for i won't be so presumptuous as to uh design a succession plan for myself but others one is being designed for everyone else but i i really appreciate your comment on that i know as a board we have fallen we have fall short in terms of having a an assistant ceo i i agree to that but at some point i'm sure we'll get to that um we just have to meet as a board and have those discussions and i agree it should be a succession plan for your position as well i mean we're you're all important which i agree so we need to do that as a board as well along with legal counsel for the board i agree so hopefully we'll get there uh i didn't have anything else um chair thanks again thanks again ceo motion john you're most welcome trustee don't move second yes mr chairman uh trustee barry yes trustee dorsey yes trustee dorsey yes trustee dorsey yes trustee legger trustee legger yes trustee yes yes trustee legger recorded as yes uh trustee russell absent trustee smith not voting trustee colwood yes trustee colwood yes mr chairman for yes one not voting and one absent all right Ethan is adjourned thank you folks have a good day thank you thank you

People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke · only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

8x **Trustee Andre Dorsey**
heard in this transcript as: Dorsey

7x **Trustee Vincent Liger**
heard in this transcript as: Liger

4x **Trustee Leona E. Smith**
heard in this transcript as: Smith

3x **Trustee Ronald Russell**
heard in this transcript as: Russell

2x **Governor Albert Bryan Jr**
heard in this transcript as: Bryan

Bills and acts referred to

Matched by number against our own acts corpus. The number is what the recognition heard, so it may be wrong; where it resolved, the title is the one the Legislature gave the act.

Act 8822 Act 8822 · March 25, 2024 · An Act amending title 3 Virgin Islands Code, sections 717(c) and 766(c) to establish a deadline for the Government Employees Retirement System to resume the personal loan program, remove the $10,000,000 annual aggregate amount and the 8% interest rate cap, to limit the system·s liability to $75,000, and set a parameter in section 717 so that all loans must be structured such that the payoff date occurs before the member reaches age 70 ---0

Referred to but not found in our acts corpus: Bill 35-0196