

Image not found or type unknown

# Bryan Casts Some Blame for Territory's Economic Woes on G.E.R.S. Court Order for \$63 Million Payment

Economy / **Published On May 19, 2020 04:01 AM /**

Robert Moore **May 19, 2020**

Image not found or type unknown



**Governor Albert Bryan** By. CRUSELDA ROBERTS FOR VI CONSORTIUM

Governor Albert Bryan pointed to a court order forcing the central government to pay \$63 million to the G.E.R.S. for poisoning the well for bank loans needed to survive the coronavirus economic meltdown.

Speaking during his Monday press briefing on the virus, Mr. Bryan spoke of the economic headwinds facing the territory, as revenues from the tourism sector have dried up. Exacerbating the downturn, over 8,000 Virgin Islanders have filed unemployment claims since the pandemic — an unprecedented number with long-lasting repercussions.

“Another part of this ... that did us harm was the judgment by Judge [Curtis] Gomez that wanted us to pay \$9 million a month to the G.E.R.S.,” said the governor. “Banks want to be assured that they get their money.”

The Bryan administration went to the well of FirstBank and Banco Popular for \$60 million in loans to help bridge the short-term side-effects of the coronavirus pandemic. The Federal Emergency Management Agency (FEMA) [pushed back on some of the loan terms](#).

District Court Judge Gomez last month ordered the Government of the Virgin Islands to pay \$63 million to the V.I. Government Employees Retirement System. Under the Gomez ruling, the money covers unpaid contributions into the pension system dating back 20 years or more. Judge Gomez ordered the government to pay the total amount in seven installments starting this month.

The administration plans to appeal to the U.S. Appeals Court for the Third Circuit. G.E.R.S. served notice it would appeal the government’s appeal.

At its current trajectory — contributions into G.E.R.S. cover \$.45 per dollar of benefits costs — the system will collapse by 2024, pension fund managers say. In a May 13th letter to Mr. Bryan and Senate President Novelle Francis, G.E.R.S. moved the goal-post and [demanded immediate funding of \\$195 million](#) to keep the pension fund alive another year.

By G.E.R.S.'s calculations, the government’s unfunded obligations to the pension fund from 2008 to 2018 amounts to \$1.7 billion. The unpaid debt, the fund argues, caused it to liquidate \$1.69 billion in assets between 2009 and 2019, according to the G.E.R.S. Board of Trustees last week.