

The Virgin Islands Consortium

V.I. Residents Sign Petition To Dissolve G.E.R.S. Board Of Trustees

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Ernice Gilbert **March 19, 2016**

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Petitioning State Senator Terrence Nelson

Need my United States Virgin Islands (GERS) MONEY NOW!

 **Marisol Ventura** U.S. Virgin Islands

I am a government employee from the US Virgin Islands who is paying into the Government Employment Retirement System for the past 18yrs, and I and other employees, don't have access to our money. Recent audits of the system has uncovered rampant mismanagement. The managers of the retirement system are misusing the resources paid in by thousands of employees over the years, issuing loans to, and investing in corporations in a manner that is inappropriate to say the least. We are soliciting signatures to demand immediate remediation of this situation, starting with the removal of the governing board.

LETTER TO

State Senator Terrence Nelson

Need my United States Virgin Islands (GERS) MONEY NOW!

Sign this petition

48 supporters

52 needed to reach 100

 Marisol Ventura signed this petition

First name

Last name

Email

U.S. Virgin Islands ▼

Your city

ST. CROIX -- Incensed by multiple Consortium reports detailing gross mismanagement of government employees pension funds by the Government Employees' Retirement System's Board of Trustees, [as detailed by an audit](#) conducted by the Office of the Inspector General (O.I.G.), residents have been [signing a petition](#) started by Marisol Ventura, who describes herself as an 18-year government employee, and frustrated that while she is barred from borrowing against her own funds, the Board of Trustees has been producing loans to privately-owned firms amounting to tens of millions of dollars, at least five of which have been described by the O.I.G. audit as bad investments.

Indeed, G.E.R.S. [could lose](#) over \$40 million on a speculative investment; it provided an \$8.2 million loan to a [grocery store development](#) in St. Thomas despite being warned to steer clear of the deal by a financial consultant. The board approved another \$5.7 million [loan](#) to the franchise owner of the local Kentucky Fried Chicken fast food chain, Kazi Food, LLC, and has not been able to give an account for how the funds were used; and has expended, thus far, [over \\$27 million](#) on the Carambola Beach Resort & Spa, a facility that has struggled to see profits.

And the board has done all of this while [suspending a popular loan program](#) used by its members, and [doubling down](#) on its stance even when [senators called](#) for at least a partial reinstating of the program.

The [petition](#), which began two days ago, has garnered nearly 50 signatures as of writing, and is expected to climb. In her petition, Ms. Ventura laments the millions of dollars being used to fund private firms' ambitions on the backs of thousands of government employees over the years.

"I am a government employee from the U.S. Virgin Islands who is paying into the Government [Employees'] Retirement System for the past 18 yrs, and I and other employees don't have access to our money," reads the petition's official message. "Recent audit of the system has uncovered rampant mismanagement. The managers of the retirement system are misusing the resources paid in by thousands of employees over the years, issuing loans to, and investing in corporations in a manner that is inappropriate to say the least. We are soliciting signatures to demand immediate remediation of this situation, starting with the removal of the governing board."

Supporters of the petition have been venting through comments posted on the petition's page, some of which exemplify the mood of government employees saddened at the recent revelations.

"It is insanity to continue putting money into a broken system plagued with public corruption!" wrote Shenequa Turnbull, a St. Croix resident. "All those who willingly participated in illegal activities or knew the mismanagement of funds was happening and said nothing, need [to] be punished as the criminals they are. I should be allowed to invest my own money into a Roth IRA or through another company (e.g. Merrill Lynch), NOT in G.E.R.S."

"It is my money and I should be able to borrow against it whenever I want. Besides, if anyone is supposed to squander it, it should be me!" said Debra Felix.

While the Board of Trustees has disputed many of the O.I.G.'s findings, Inspector General Steven van Beverhoudt has responded with even more pointed rebuttals, calling the board's responses divergent and out of sync with the audit's findings.

"We affirm our position, as the G.E.R.S. Board of Trustees has never prepared a corrective action plan to resolve the issues from the forensic audit of the hotel, waived amendment fees to the airline after they violated covenants, and continued to provide additional funding to the grocery store after the initial loan for items that should have been considered in the initial proposal, and for start-up items that should be the responsibility of the business owners," Mr. van Beverhoudt said.

According to a description found on G.E.R.S.'s [website](#), the board's "fiduciary responsibilities include making *sound and prudent investment decisions* to maximize G.E.R.S.'s returns, determining investment asset allocations, setting internal governance policies and much more."

It is made up of seven members, three members represent St. Croix, three from St. Thomas and one from St. John. Members are appointed by the governor with confirmation from the Legislature. All Board members serve on the board until his or her successor is appointed and approved, reads the description.